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Canada, High Commissioner in London
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PAPERS

RELATING TO THE

DEVELOPMENT OF TRADE

BETWEEN THE

UNITED STATES AND CANADA,

INCLUDING THE

COLONY OF NEWFOUNDLAND.

PRINTED BY ORDER OF PARLIAMENT.

SESSION 1891.



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MESSAGE.

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STANLEY OF PRESTON.

The GOVERNOR GENERAL transmits to the HOUSE OF COMMONS papers relating to the extension and development of trade between the United States and the Dominion of Canada, including the Colony of Newfoundland.

GOVERNMENT HOUSE,

OTTAWA, 3rd June, 1891.

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No. 1.

OFFICE OF THE HIGH COMMISSIONER FOR CANADA,
VICTORIA CHAMBERS, 17 VICTORIA STREET,
LONDON, S. W., 25th Oct., 1890.

SIR,—In consequence of a letter from the Deputy Postmaster General, I proceeded to Paris on the 20th inst., to learn what the Post Office Department there would do in reference to mails by direct line of steamers from France to Canada.

Lord Lytton, Her Majesty's Ambassador in Paris, gave me a letter to the Director General of Posts and Telegraphs, and I saw that gentleman yesterday morning and discussed the matter fully with him.

I am authorized to assure the Canadian Government that France will send all mail matter for the United States and Canada by a direct Canadian line that can be delivered earlier than by any other, on the same terms as the mails are now sent by English lines to New York.

While at Paris your cable of the 21st instant was repeated to me as follows:—

"Bond, Whiteway's Minister now at Washington, announces authority from Imperial Government to make separate fishery treaty. Ascertain truth and enter protest. See *New York Herald* 13th, and *Boston Herald* 18th October."

I immediately wrote to Sir Robert Herbert a letter of which I enclose you a copy. Previous to the receipt of that letter, Mr. Bramston sent me a despatch of which I also send you a copy, and I have to-day cabled you as follows:—

"Your cable 21st; entered protest as desired. What action do you wish me to take in reference to Pauncefote's telegram to Foreign Office?"

I await your instructions, as it is very important that the same line should be taken in my communications on this question as that adopted by your Government.

I have, &c.,

CHARLES TUPPER, *High Commissioner*.

The Right Honourable the Prime Minister, Ottawa, Canada.

HOTEL CONTINENTAL, PARIS, FRANCE, 21st October, 1890.

DEAR SIR ROBERT HERBERT,—I called yesterday morning to see you and Lord Knutsford in reference to a cable saying that the Foreign Office had allowed Mr. Bond, a Member of the Newfoundland Government, to negotiate through Sir J. Pauncefote with the Government of the United States for the free admission of the Newfoundland fish to the United States markets in exchange for bait and other privileges.

I missed seeing either of you and was obliged to come here on urgent business connected with our fast Atlantic service. After I left London a cable came from Sir J. Macdonald asking me to ascertain whether there was any truth in this rumour, and if so enter a strong protest on behalf of Canada. I have never believed that any policy so obviously disastrous to Canada could be entertained by Her Majesty's Government, and I hope Lord Knutsford will authorize you to send me a letter, under cover to Mr. Colmer, saying I may at once relieve the Government of Canada from any apprehension on this point.

I will lose no time in seeing you on my return to London the latter part of this week.

Yours, &c.,

CHARLES TUPPER.

No. 2.

OFFICE OF THE HIGH COMMISSIONER FOR CANADA,
VICTORIA CHAMBERS, 17 VICTORIA STREET,
LONDON, S.W., 31st October, 1890.

SIR,—Following up my dispatch, No. 677, of the 25th instant, respecting the reported negotiations between Newfoundland and the United States for a separate fishery treaty, I now have the honour to state that I saw Lord Knutsford on Monday last and placed before him fully the views of the Canadian Government upon the subject. I transmit, herewith, for the information of the Government a copy of a letter containing the representation which I subsequently made to His Lordship in writing.

After my letter was written and before its despatch, your further telegram, as under, came to hand, and you will observe that I quoted it in a postscript, for the consideration of Her Majesty's Government.

"Can scarcely believe Newfoundland has received authority from Imperial Government to make separate arrangement respecting fisheries. The relations of all the North American Provinces to the United States and to the Empire would be affected. We are not informed of powers given to Bond, and desire communication of them. Please represent strongly how the fishery and commercial interest of Canada might be injured by such an arrangement as Bond is currently reported as making, and how disastrous from a national point of view it would be for a separate colony to effect an arrangement with the United States more favourable than would be given to the confederated Provinces. Our difficulties under new American tariff are sufficiently great now."

I have the honour to be, sir, your obedient servant,

CHARLES TUPPER, *High Commissioner.*

The Right Honourable the Prime Minister, Ottawa, Canada.

17 VICTORIA STREET, S. W., LONDON, 27th October, 1890.

MY LORD,—I had the honour to receive at Paris, on the 23rd instant, Mr. Bramston's despatch of the same date saying:

"I am directed by Lord Knutsford to acquaint you that a telegram dated 6th instant has been received from Her Majesty's Minister at Washington by the Secretary of State for Foreign Affairs, of which the following is the purport:—

"With reference to your despatch of the 10th ultimo introducing Mr. Bond, I have presented that gentleman to Mr. Secretary Blaine, and negotiations are now going on with a view to an independent arrangement between the United States and Newfoundland relating to the fisheries. Before negotiations go further I would suggest that the Government of Canada might be informed of them as they might wish to negotiate on the same lines as regards New Brunswick and Nova Scotia."

I had previously received a telegram from the Premier of Canada as follows:—

"Bond, Whiteway's Minister, now at Washington, announces authority from Imperial Government to make separate fishery treaty. Ascertain truth and enter protest. See *New York Herald* 13th, *Boston Herald* 18th October.

I believe I am right in saying that, in reference to the question of the Atlantic North American fisheries, Her Majesty's Government has hitherto invariably recognized the importance of obtaining unity of action, as far as was possible, on the part of all the colonies interested. In the Treaty of Reciprocity with the United States, in 1854, the consent of Newfoundland, as well as of the various provinces of Canada, was made necessary to its going into operation, and the same course was followed, subsequent to Confederation, in reference to the treaties of 1871 and 1888.

I learn, with deep regret, that this obviously sound policy has not only been departed from, but that while Newfoundland has on previous occasions been fully advised as to the negotiations that were to be undertaken, Her Majesty's Govern-

ment have, without any intimation to Canada of what was proposed, authorized, so long ago as the 10th of September, Newfoundland to open negotiations for a separate treaty with the United States, and that the first communication to Canada is a suggestion from Sir J. Paucefote, not to include Canada in the proposed arrangement, but "That the Government of Canada might be informed of them as they might wish to negotiate on the same lines as regards New Brunswick and Nova Scotia," *i. e.*, for a treaty independent of the other provinces of Canada.

I should fail in my duty to the Crown as well as to Canada if I did not promptly assure your Lordship that I feel confident the difficulties of the vexed question of the British North American fisheries will be greatly increased by the wide departure that is now proposed from the long established policy that has hitherto prevailed upon this very important question.

I am, &c.,

CHARLES TUPPER.

The Right Honourable

LORD KNUTSFORD, G.C.M.G.

P.S.—Since writing my letter I have received the following telegram from Sir John A. Macdonald, which I beg to quote for the consideration of Her Majesty's Government:—

"I can scarcely believe Newfoundland has received authority from Imperial Government to make separate arrangement respecting fisheries. The relations of all the North American Provinces to United States and to the Empire would be affected. We are not informed of powers given to Bond, and desire communication of them. Please represent strongly how the fishery and commercial interests of Canada will be injured by such an arrangement as Bond is currently reported as making, and how disastrous, from a national point of view, it would be for a separate colony to effect an arrangement with the United States more favourable than would be given to the Confederated Provinces. Our difficulties under the new American tariff are sufficiently great now."

No. 3.

REPORT of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 12th December, 1890.

The Committee of the Privy Council have had under consideration a report herewith attached, dated 9th December, 1890, from the sub Committee of Council, to whom was referred a letter from the High Commissioner for Canada, dated 31st October, 1890, on the subject of the recent negotiations between a delegate from the Government of Newfoundland and the administration of the United States for a convention relating to the fisheries and commerce between the colony of Newfoundland and the United States.

The Committee, concurring in the report, recommend the same for Your Excellency's approval.

JOHN J. MCGEE,

Clerk of the Privy Council.

The Honourable

The Minister of Marine and Fisheries.

To His Excellency the Governor General in Council :

The undersigned have had referred to them a letter from the High Commissioner for Canada, dated 31st October, 1890, on the subject of the recent negotiations between a delegate from the Government of Newfoundland and the Administration of the United States, for a Convention relating to the Fisheries and Commerce between the Colony of Newfoundland and the United States.

The High Commissioner had been informed by telegraph from Your Excellency's First Minister, that the Honourable Mr. Bond, a Member of the Newfoundland Government, was at Washington, and seemed to have announced that he had authority from the Imperial Government to make a separate Fishery Treaty for his Government, and the High Commissioner was asked to ascertain the truth and enter protest. He was referred to the New York and Boston papers, which contained the information referred to.

The High Commissioner wrote to Sir Robert Herbert, on the 22nd October, intimating that he had received such a telegram from the Premier of Canada, and on the 23rd October Mr. Bramston addressed the High Commissioner in reply, as follows :—

"I am directed by Lord Knutsford to acquaint you that a telegram, dated 6th instant, has been received from Her Majesty's Minister at Washington by the Secretary of State for Foreign Affairs, of which the following is the purport :—

"With reference to your despatch of the 10th ult., introducing Mr. Bond, I have presented that gentleman to Mr. Secretary Blaine, and negotiations are now going on with a view to an independent arrangement between the United States and Newfoundland, relating to the Fisheries. Before negotiations go further, I would suggest that the Government of Canada might be informed of them, as they might wish to negotiate on the same lines as regards New Brunswick and Nova Scotia."

The High Commissioner in a letter to the Right Honourable Lord Knutsford, Her Majesty's principal Secretary of State for the Colonies, dated the 27th October, set forth the telegram he had received from the First Minister of Canada and the letter from Mr. Bramston, and followed with certain observations, thus :—

"I believe I am right in saying that, in reference to the question of the Atlantic and North American Fisheries, Her Majesty's Government has hitherto invariably recognized the importance of obtaining unity of action, as far as was possible, on the part of all the Colonies interested. In the Treaty of Reciprocity with the United States, in 1854, the consent of Newfoundland, as well as the various Provinces of Canada, was made necessary to its going into operation, and the same course was followed, subsequent to Confederation, in reference to the Treaties of 1871 and 1888.

"I learn with deep regret that this obviously sound policy has not only been departed from, but that while Newfoundland has on previous occasions been fully advised as to the negotiations that were to be undertaken, Her Majesty's Government has, without any intimation to Canada of what was proposed, authorized so long ago as the 10th of September, Newfoundland to open negotiations for a separate Treaty with the United States, and that the first communication to Canada is a suggestion from Sir J. Pouncefote not to include Canada in the proposed arrangement, but 'that the Government of Canada might be informed of them, as they might wish to negotiate on the same lines as regards New Brunswick and Nova Scotia,' i.e., for a Treaty independent of the other Provinces of Canada.

"I should fail in my duty to the Crown, as well as to Canada, if I did not promptly assure Your Lordship that I feel confident the difficulties of the vexed question of the British North American fisheries will be greatly increased by the wide departure that is now proposed from the long established policy that has hitherto prevailed upon this very important question."

The High Commissioner having communicated to the First Minister the despatch from Mr. Bramston of the 23rd October above set forth, a telegram was sent to him by the First Minister as follows :—

"Can scarcely believe Newfoundland has received authority from Imperial Government to make separate arrangements respecting fisheries. The relations of all the North American Provinces to the United States and to the Empire, would be affected. We are not informed of powers given to Bond and desire communication of them. Please represent strongly how the fishery and commercial interests of Canada will be injured by such an arrangement as Bond is currently reported as making, and how disastrous from a national point of view it would be for a separate colony to effect an arrangement with the United States, more favourable than would

be given to the confederated provinces. Our difficulties under the new American tariff are sufficiently great now."

Your Excellency was, on the same day, moved to request from Lord Knutsford, communication of the authority possessed by Mr. Bond, and likewise to urge that no arrangement be concluded until your government should be informed of the nature thereof, and unless Canada should be given an opportunity to be included therein, if she should so desire.

It appears also that the High Commissioner waited on Lord Knutsford personally, and expressed at large the views which are indicated in his letter of the 27th October.

About the 15th of November last, it transpired that a draft Convention between Newfoundland and the United States of America had been prepared in the following terms:—

Article I.—"United States vessels to have privilege of purchasing bait in Newfoundland on the same conditions as Newfoundland vessels, and to be allowed to touch and trade, sell their fish and oil, and procure supplies, paying same dues as Newfoundland vessels, and conforming to the harbour regulations.

Article II.—"Facilities shall be given for recovery, in the United States Courts, of the penalties incurred under bonds, by United States citizens.

Article III.—"United States admit duty free, Newfoundland codfish, cod oil, seal and herrings, salmon, lobsters, &c., and crude produce of mines.

Article IV.—"Convention to continue for ten years and thereafter from year to year, subject to a year's notice."

It may be necessary at this stage, to call the attention of Your Excellency and of Her Majesty's Principal Secretary of State for the Colonies, to sum up the grounds on which Your Excellency's advisers feel bound to remonstrate against a separate arrangement being made between the United States and one of the British North American Provinces, to the exclusion of the others, relating to the fisheries and commerce.

From the earliest period in the history of the North American fishery question, down to the opening of the negotiations with Mr. Bond, Her Majesty's Government has invariably recognized the fact that the interests of all her possessions in British North America, with regard to the fisheries, were bound up together, and could only be properly dealt with on a basis common to all.

This view has prevailed at every step in diplomacy and administration, the two great points on which the Atlantic fishery question has always turned being the competition in fishing between British subjects and foreigners, and the question of access to the markets of the United States for sale of the fish caught by British subjects.

In early times the negotiations which took place between Great Britain and foreign countries concerning the fisheries had chiefly in view the Bank fisheries off the coast of Newfoundland, the prosecution of which was immensely facilitated by the obtaining of supplies and outfits in the Island of Newfoundland and on the coast of some of the Provinces now forming part of Canada. These fisheries, with that adjunct, were regarded as the principal object to be secured and established in any arrangement made by Great Britain and the great object aimed at by the United States and France.

By the Treaty of 1778 between France and the United States, (Article X), provision for the fishery rights on the banks of Newfoundland were stipulated for by France and guaranteed by the United States.

The United States took care to stipulate for the enjoyment of these fisheries by the Treaty of 1783.

It was to establish the successful prosecution of these fisheries by her people that France incurred such enormous expenditures in fortifying Louisburg and in retaining possessions in North America, and that the New England colonies, by two successive expeditions, accomplished the capture of Louisburg, and thereby achieved

a success which was described as having counterbalanced all the disasters which had fallen upon the British arms in Europe.

It was with the same view that Lord North, in 1775, introduced his bill to prevent the inhabitants of the New England States from fishing on the banks, although it has now long since been conceded that these fisheries themselves are open to all nations.

The 3rd Article of the Treaty of Paris (1783) dealt in a single paragraph with "*such part of the coast of Newfoundland as British fishermen use, and also the coasts, bays and creeks of all of His Britannic Majesty's dominions in America.*"

When the Treaty of Ghent was being negotiated, in 1814, the bank fisheries were being extensively prosecuted by both American and colonial fishermen. The Americans, however, adopted the policy, which they will doubtless presently revive, (if such Convention as that proposed be adopted), of granting a bounty to aid their own fishermen and establishing customs duties against all others.

From 1815 to 1818 the bounty paid in the United States to fishermen rose from \$1811.00 to \$149,000.00, and after the Convention of 1818, it continued to rise, until, in 1838, it was upwards of \$314,000.00.

On the 17th June, 1815, Lord Bathurst conveyed to Vice-Admiral Sir Richard G. Keats, the command of His Royal Highness the Prince Regent, that while he was to abstain from interfering with the fisheries in which the subjects of the United States might be engaged, either on the Grand Banks, the Gulf of St. Lawrence, or other places in the sea, he should "*exclude their fishing vessels from the bays, harbours, creeks and inlets of His Majesty's possessions.*" His Lordship, in writing to the Governor of Newfoundland, said: "*The subjects of the United States can have no pretence to any right to fish within British jurisdiction, or to use the British territory for purposes connected with the fisheries.*"

When the treaty of 1818 was made, although a special privilege was given to United States fishermen, of fishing on certain parts of the coast of Newfoundland, of the Magdalen Islands and of Labrador, in all other respects the fishermen of all the British Provinces received the same protection, and its provisions were made in the interests of all alike, especially those by which United States fishing vessels were prohibited from entering the bays and harbours of British North America to obtain facilities in the prosecution of the fisheries.

The Imperial Statute of 1819, which was passed to make this treaty effective (59 George III, c 38), as well as all the Acts passed for the same purpose in the British North American Provinces followed the same principle and were uniform as to their substance and spirit.

The Treaty of Reciprocity, of 5th June, 1854, made provisions as to the fisheries and commerce which were common to all the provinces. The rights which it gave to United States fishermen were rights in all the fisheries of British North America, and the commercial concessions made by the United States were made in favour of all the British North American Provinces which were willing to accept them.

In the Washington Treaty of 1871, although Canada was represented among Her Majesty's Plenipotentiaries, and Newfoundland not represented, there was an express provision, by Article 32, that the treaty provisions, relating to the fisheries and commerce, which applied to Canada and Prince Edward Island, should extend to the Colony of Newfoundland, so far as applicable.

The Washington Treaty of 1888, included Canada and Newfoundland under one provision, although, as before, Her Majesty's commission to Her Plenipotentiaries did not include a representative from the Colony of Newfoundland, but included a representative from Canada.

The *Modus Vivendi* attached to the treaty was common to both Canada and Newfoundland, and, until the fishing season of 1890, was kept in force by both countries; the licenses issued to American fishermen by Canada being recognized in Newfoundland, and those issued in Newfoundland being recognized in Canada.

On at least two occasions there were strong expressions from Her Majesty's Government to indicate that any policy not common to all the British North American Provinces would not receive the approval of that Government.

The first of these instances occurred in 1868. A committee of the House of Representatives at Washington was appointed in that year, "to inquire and report, at the next session of Congress, the fullest and most reliable information they could obtain in regard to the Colony of Prince Edward Island, including particularly whatever could be ascertained as to the kind and amount of imports and exports to and from the Island, and the views and disposition, as well as authority, of the Colonial Government, to enter into any particular or exceptional arrangement or agreement, by legislative enactment, with the United States, conceding and securing such privileges as to fisheries on the coast as were contemplated" in a resolution which had been referred to the Committee of Ways and Means for their report, which resolution looked in the direction of free trade between Prince Edward Island and the United States as a return for fishing, under a nominal license fee, on the coast of the Island, and for the right of American fishing vessels to enter for shelter or to obtain supplies and to re-fit free of duty or impost.

The Committee of the House of Representatives proceeded to Prince Edward Island in the summer of 1868, and had a conference with the Executive Council of that Province on the subject of the resolution. Certain propositions were made by the Congressional Committee and were favoured by the Executive Council with slight modifications. The Executive Council made a favourable report on the subject of the Conference, expressing hope that Her Majesty's Government would feel favourable to the propositions although they related to Prince Edward Island only.

The Lieutenant Governor, on the 27th of August, 1868, communicated to the Duke of Buckingham and Chandos the Memorandum of his Council, and informed his Grace, at the same time, that he had "thought it right to express, clearly, in writing to his Council that a Colonial Government had no authority whatever to enter into any particular or exceptional arrangement or agreement with a foreign power."

On the 30th September, 1868, the Duke of Buckingham and Chandos acknowledged the receipt of the despatch from the Lieutenant Governor which enclosed the memorandum sent to him by his advisers, and stated that Her Majesty's Government entirely approved of the answer which the Lieutenant Governor had made to his Council. Here the matter ended.

Another instance occurred in July, 1887, when communicated to Sir Ambrose Shea that "should the Government of Newfoundland see fit to give notice that American fishermen be admitted to the ports of that Province for the purpose of obtaining supplies, the proposal would be cordially accepted and acted on by the Government of the United States." Her Majesty's Principal Secretary of State for the colonies, informed the officer administering the Government of Newfoundland that "no separate action should be attempted by the Newfoundland Government, in the direction suggested, without full previous communication with Her Majesty's Government."

These documents were transmitted to Your Excellency's predecessor. In the end, the attempt to negotiate a separate arrangement between the United States and Newfoundland was abandoned, and negotiations were opened with Her Majesty's Government on behalf of Newfoundland and Canada. This resulted in the Washington Treaty of 1888, which was only defeated by want of concurrence on the part of the Senate of the United States. Since that time, the Governments of Newfoundland and Canada have acted in concert.

The Government of Newfoundland has repeatedly recognized the force of the view here contended for.

In an address to Her Majesty's principal Secretary of State for the Colonies, from the Legislative Council and House of Assembly in Newfoundland, dated 18th May, 1886, after referring to the fact that the British fishermen engaged in the prosecution of the cod fisheries, had great advantages over American fishermen, under

the Convention of 1818, and after stating further that the United States had abrogated the Treaty of Washington and renewed the impost on fishery products of British colonies, the following expression, which may now be aptly applied to the prospects of the Canadian fishermen if a separate arrangement should be made for Newfoundland was used.

"If we supinely assent to this course, we shall provide these, our rivals, with the means of shutting us entirely out of the United States markets."

In a despatch, dated the 14th January, 1887, from Governor Sir G. Des Voeux to Mr. Stanhope, the former well described the position in which Newfoundland fishermen would be placed if obliged to furnish bait to foreign fishermen who would be in competition with them in the markets of the foreign country, while these markets were practically closed to the products of British fisheries. He says: "It is evident that Newfoundland is thus furnishing the means of its own destruction."

Further on in the same despatch, the writer states: I have very good reason for believing that, as regards the United States, the right of obtaining bait would be restored on the opening of the American markets to Newfoundland fish, or (if common cause be made with Canada) to all British fish."

Referring, in a subsequent passage, to the Canadian Statute, passed in 1887, for the enforcement of the Treaty of 1818, by the exclusion of the American fishing vessels, except for the purposes for which they were allowed to enter, under the Convention of 1818, His Excellency said: "I may mention, as probably having escaped notice, that this object will, to a large extent, fail to be secured if a similar measure in this colony should not be enforced, as it is not impossible that the Americans could afford to disregard the prohibition of bait on the Canadian coast if they were assured of being able to procure the bait they require on the coast of Newfoundland. The interests of Canada and of this colony being thus to this extent identical, it is not difficult to foresee that any further delay in the allowance of the Bill would give rise to the strongest pressure on the part of the Canadian Government."

In a letter from Sir Robert Thorburn, Premier of Newfoundland, to Her Majesty's Principal Secretary of State for the Colonies, dated April 27th, 1887, on the subject of the Newfoundland Bait Act, and of the remonstrances of Canada against the same, which had been put forward on a supposition that Canadian fishermen would be put in the position of foreign fishermen by that Act, in being obliged to pay for licenses, Sir Robert Thorburn said that the inference drawn by Sir G. W. Des Voeux, in his despatch relative to the Bait Bill, that Canada would suffer from its disallowance, inasmuch as American and other foreign fishermen would continue to procure their bait supplies in Newfoundland waters, particularly if excluded from this privilege in Canadian waters, seemed a perfectly clear conclusion, and served practically to illustrate the desirability of British fishermen retaining the undivided control of so important an element as the Bait supply, giving them vantage ground over their bounty sustained rivals.

When the Arbitration took place at Halifax, to settle the compensation to be paid by the United States under the treaty of Washington, the British case was presented by an agent of Her Majesty's Government, in consultation with counsel from Newfoundland as well as from the Provinces of Canada.

The following is an extract from that case, which will serve to indicate the value of the privileges which were supposed to be accorded to United States fishermen by the Treaty of 1871, of procuring bait and of making Newfoundland the basis of operations, while the disadvantages to Newfoundland fishermen which are there set forth affect equally Canadian fishermen who pursue their vocation in the bank and deep sea fisheries:—"Apart from the immense value to the United States fishermen of participation in Newfoundland inshore fisheries, must be estimated the important privilege of procuring bait for the prosecution of the bank and deep sea fisheries, which are capable of unlimited expansion. With Newfoundland as a basis of operations, the right of procuring bait, refitting their vessels, drying and curing fish, procuring ice in abundance for the preservation of bait, liberty of transshipping their cargoes, &c., and almost continuous prosecution of the bank fisheries secured

to them. By means of these advantages, United States fishermen have acquired, by the Treaty of Washington, all the requisite facilities for increasing their fishing operations to such an extent as to enable them to supply the demand for fish food in the United States markets and largely furnish the other fish markets of the world, and thereby exercise a competition which must inevitably prejudice Newfoundland exporters.

"Not only are the United States fishermen almost entirely dependent on the bait supply from Newfoundland, now open to them, for the successful prosecution of the bank fisheries, but they are enabled, through the privileges conceded to them by the Treaty of Washington, to largely increase the number of their trips, and thus considerably augment the profits of the enterprise."

Attention may be called to the action of the United States Administration in the present year.

By the adoption of the tariff measure which is popularly known as the "McKinly Act," the Customs duties of the United States are greatly increased on nearly all Canadian products, (including fresh fish, unless caught in vessels or by nets owned by American citizens). While this measure is in force, and is avowed to be designed to teach Canadians that they cannot avail themselves of the markets of the United States while they continue their allegiance as British subjects, a separate arrangement with Newfoundland would practically dissolve the protection given by the Treaty of 1818, by enabling American fishing vessels to have access to the ports of Newfoundland as a base of supplies and for the purpose of transhipping their cargoes. The protection afforded by that Treaty for upwards of seventy years would thus be taken away from Canadian fishermen and Newfoundland fishermen alike, but there would be special compensation to the fishermen of Newfoundland, in the shape of removal of duties, while the Canadian fishermen would be made to pay enhanced duties under the new American tariff. While this would, perhaps, be the most effectual method of impressing on the minds of the Canadian people the lesson that they cannot be British subjects and enjoy American markets, Her Majesty's Government can hardly, on reflection, feel surprised that Your Excellency's Government have not for a moment believed that Her Majesty's Ministers would co-operate with the authorities of the United States in inculcating such a lesson at the present time.

The subject has also to be viewed to some extent in connection with the question of the Confederation of the Provinces. The union which was effected, in accordance with the strong desire of Her Majesty's Government, in 1867, has always been viewed with unfriendly feelings by a large portion of the people in the United States, who continue, with great reason, to regard it as a means of consolidating British power in North America. The Confederated Provinces, at great sacrifices, have striven to accomplish that object, they have made progress in the direction of its accomplishment of which they feel some pride, but they are now threatened with being placed in a worse position, as regards some of the most important interests of their commerce, than the one colony in British North America which has remained outside of the Union.

The administration of the United States has long been aware that the Government of Canada is willing to enlarge the trade relations between the two countries by a system of reciprocity. That intention has so often been announced, in offers from the Canadian Government, in proposals put forward by negotiations, in customs legislation and in public declarations of responsible Ministers, that the authorities of the United States have from time to time resented what has been considered the importunity of Canada in this regard. Her representatives have often reproached Canada with being unable to maintain existence without reciprocity, and asserted that the livelihood of her people is dependent on tariff concessions from the United States. Canada has been constantly accused, by public men in the United States, of adopting a severe policy in asserting her fishery rights, in order to force negotiations for the extension of trade.

Her Majesty's Principal Secretary of State for the Colonies may, perhaps, with propriety be reminded, on this occasion, that the complaint constantly put forward against Canada in the United States is that Canada denies hospitality in her ports to American vessels, which is not denied to Canadian vessels in United States Ports. When the Treaty of 1818 was negotiated the abstention by American fishing vessels from using British ports, except for shelter, repairs, wood and water, was conceded by the United States negotiators in return for the right to fish in-shore on parts of the coasts of Newfoundland and Labrador and on all the coasts of the Magdalen Islands. This privilege so rarely accorded by the people of one country to the people of another, was boasted of by the American negotiators, after the Treaty of 1818 was signed, as having secured to the United States the most valuable fisheries on the British American coast.

The people of the United States have made no proposal to relinquish that benefit, but they complain that the concession by which it was purchased should be enforced.

It seems necessary also to remind Her Majesty's Principal Secretary of State for the Colonies of the peculiar position in which British and Canadian fishing interests will be placed by such a convention as that proposed, in view of the Bait Act of Newfoundland. Under that Act and the regulations made by the Government of Newfoundland under powers conferred on them by it, no fishing vessel can enter the ports or harbours of Newfoundland to obtain bait without a license which can only be obtained under very onerous restrictions which exact among other things, a very heavy license fee. His Lordship will remember that that Act was only allowed by Her Majesty's Government to go into operation after the most distinct written pledges given by members of the Newfoundland Government, and by its representatives, that no license fee would be exacted from Canadian fishermen. During the fishing season of last year that pledge was not observed and the same fee which was charged to foreign vessels was exacted from Canadian fishermen. His Lordship will remember that the attention of Her Majesty's Government has already been drawn to this subject by Minute of Council of your Government, and that, on a subsequent occasion, in the month of August last, the High Commissioner for Canada and the Minister of Justice had an interview with His Lordship, in the presence of two delegates from the Newfoundland Government, in which, on behalf of Canada, this whole subject was presented again and in the course of which His Lordship was good enough to urge upon the delegates from Newfoundland, that their Government should keep faith when their faith had been so distinctly pledged. The delegates from the Newfoundland Government present at that time, professed ignorance of the pledges which had been given, until they had communication of them in London, but they assured his Lordship that the attention of their Government would be given to the matter immediately, with a view and desire to carry out the promises which had been made. The fulfilment of this renewed promise and the exemption of Canadian fishermen from the provisions of the Bait Act would not lessen any of the objections which have been stated in this report, but it seems necessary to remind Her Majesty's Principal Secretary of State for the Colonies, that if this promise should still go unfulfilled and the draft convention be adopted the singular case would be presented of one colony of the Empire admitting Foreign vessels to privileges in her ports and excluding the vessels of the neighboring colonies as well as of the mother country, from the like privileges.

Respectfully submitted.

JOHN S. D. THOMPSON,
Minister of Justice.
CHARLES H. TUPPER,
Minister of Marine and Fisheries.

OTTAWA, 9th December, 1890.

No. 4.

REPORT of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 18th December, 1890.

The Committee of the Privy Council having learned that the Honourable the Secretary of State for the United States, had expressed to Her Majesty's Minister at Washington, his readiness to negotiate for a Reciprocity Treaty on a wide basis, and particularly for the protection of the mackerel fisheries, and for the Fisheries on inland waters, and had subsequently stated to Her Majesty's Minister his great desire to conclude a Reciprocity Treaty, they desire to take the opportunity afforded by these intimations from Mr. Blaine of suggesting the expediency of taking early steps to adjust the various matters that have arisen and now exist affecting the relations of Canada with the United States, or rather the relations between the Government of the United States and that of the United Kingdom on questions affecting Canada.

The most obvious means of carrying this object into effect, would be the appointment of a Joint Commission as in 1871.

The Committee of Council desire to suggest that such Commission should be authorized to deal with all such questions without limitation as to range of discussion, and to prepare a Treaty or Convention as to such of those matters as they may come to an agreement upon.

The principal subjects for discussion would appear to be—

1. The renewal of the Reciprocity Treaty of 1854, subject to such modifications as the altered circumstances of both countries require, and to such extensions as the Commission may deem to be in the interest of the United States and Canada.

2. The reconsideration of the Treaty of 1888 respecting the Atlantic Fisheries, with the view of effecting the free admission of Canadian Fishery products into the markets of the United States in exchange for facilities for United States fishermen to purchase bait and supplies, and tranship cargoes in Canada. All such privileges to be mutual.

3. The protection of the mackerel and other fisheries on the Atlantic Ocean and on the Inland Waters.

4. The relaxation of the Coasting Laws of both countries on the seaboard.

5. The relaxation of the Coasting Laws of both countries on Inland Waters between the United States and Canada.

6. The mutual salvage and saving of wrecked vessels.

7. Arrangements for the delimitation of boundary between Alaska and Canada. Such Treaty to be of course *ad referendum*.

The Committee respectfully submit this minute for His Excellency's sanction.

JOHN J. MCGEE,

Clerk of the Privy Council.

To the Honourable

The Minister of Marine and Fisheries.

No. 5.

Sir Julian Pauncefote to Lord Stanley of Preston.

WASHINGTON, 15th January, 1891.

MY LORD,—In accordance with instructions which I have received from the Marquis of Salisbury, I have the honour to transmit to Your Excellency the enclosed copy of a draft convention to improve commercial relations between the United States and the Colony of Newfoundland, which was communicated to me on the 6th instant by Mr. Blaine, as showing to what extent and on what conditions the Government of the United States are willing to enter into an arrangement of the kind proposed by the Government of Newfoundland in the month of October last.

I have, &c.,

JULIAN PAUNCEFOTE.

HIS EXCELLENCY THE GOVERNOR GENERAL, &c.

CONVENTION between Great Britain and the United States of America for the improvement of commercial relation between the United States and Her Britannic Majesty's Colony of Newfoundland.

The Governments of Great Britain and the United States, desiring to improve the commercial relations between the United States and Her Britannic Majesty's Colony of Newfoundland, have appointed as their representative Plenipotentiaries and given them full powers to treat and conclude such convention, that is to say:—

Her Britannic Majesty on Her part has appointed Sir Julian Pauncefoot, and the President of the United States has appointed on the part of the United States James G. Blaine, Secretary of State.

And the said Plenipotentiaries, after having exchanged their full powers, which were found to be in due and proper form, have agreed to and concluded the following articles:—

Article 1.—United States fishing vessels entering the waters of Newfoundland shall have the privilege of purchasing herring, caplin, squid and other bait fishes, at all times on the same terms and conditions and subject to the same penalties in all respects as Newfoundland vessels.

They shall also have the privilege of touching and trading, selling fish and oil and procuring supplies in Newfoundland, conforming to the harbour regulations, but without other charge than the payment of such light, harbour and customs dues as are or may be levied on Newfoundland fishing vessels.

Article 2.—Dry codfish, cod oil, seal skins, herrings, salmon, and trout salmon, lobsters, cod roes, tongues and sounds, the product of the fisheries of Newfoundland shall be admitted into the United States free of duty.

Also all hogsheads, barrels, kegs, boxes or tin cans in which the articles above named may be carried shall be admitted free of duty. It is understood however that "green" cod fish are not included in the provisions of this article.

Article 3.—The Officers of Customs at the Newfoundland port where a vessel laden with the articles named in article 2 clears, shall give to the master of such vessel a sworn certificate that the fish shipped were taken in the waters of Newfoundland which certificate shall be countersigned by the Consul or Consular Agent of the United States and delivered to the proper officer of Customs at the port of destination in the United States.

Article 4.—When this Convention shall come into operation and during the continuance thereof the duties to be levied and collected upon the following enumerated merchandise imported into the colony of Newfoundland from the United States shall not exceed the following amounts, viz:

Flour, 25 cents a barrel.

Pork, $1\frac{1}{2}$ cent per pound.

Bacon and hams, tongues, smoked beef and sausages $2\frac{1}{4}$ cents per pound or \$2.50 per 112 pounds.

Beef, pigsheads, hocks and feet salted or cured $\frac{1}{2}$ cent per pound.

Indian meal, 25 cents per barrel.

Oatmeal, 30 cents per barrel of 200 pounds.

Peas, 30 cents per barrel.

Bran, Indian corn and rice, $12\frac{1}{2}$ per cent *ad valorem*.

Salt in bulk, 20 cents per ton of 2240 pounds.

Kerosine oil, 6 cents per gallon.

The following articles imported into the colony of Newfoundland from the United States shall be admitted free of duty: Agricultural implements and machinery imported by Agricultural Societies for the promotion of agriculture.

Crushing mills for mining purposes.

Raw cotton, corn for the manufacture of brooms, gas engines when protected by patent, ploughs and harrows, reaping, raking, ploughing, potato digging and seed sowing machines to be used in the colony.

Printing presses and printing types.

Article 5.—It is understood that if any reduction is made by the colony of Newfoundland at any time during the term of this Convention in the rates of duty upon the articles named in Article 4 of this Convention, the said reduction shall apply to the United States.

Article 6.—The present Convention shall take effect as soon as the laws required to carry it into operation shall have been passed by the Congress of the United States on the one hand and by the Imperial Parliament of Great Britain and the Provincial Legislature of Newfoundland on the other hand. Such assent having been given, the convention shall remain in force for five years from the date at which it may come into operation and further until the expiration of twelve months after either of the High Contracting Parties shall give notice to the other of its wish to terminate the same, each of the high contracting parties being at liberty to give such notice to the other at the end of the said term of five years or at any time afterwards.

Article 7.—This Convention shall be duly ratified by the President of the United States of America and by and with the advice and consent of the Senate thereof and by Her Britannic Majesty: and the ratifications shall be exchanged at Washington on the first day of February, 1891, or as soon thereafter as practicable.

In faith thereof, we, the respective plenipotentiaries, have signed this Convention and have hereunto affixed our seals.

Done in duplicate at Washington this day of in the year of Our Lord one thousand eight hundred and .

No. 6.

REPORT of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 29th January, 1891.

The Committee of the Privy Council have had under consideration a despatch, dated 15th January, 1891, from Her Majesty's Minister at Washington, accompanied by the copy of a proposed convention between Great Britain and the United States for the improvement of commercial relations between the United States and the Colony of Newfoundland, and also the telegram from the Right Honourable the Secretary of State for the Colonies to Your Excellency, dated the 23rd January, inst.

The sub-committee of Council, to whom the despatch and enclosures were referred, report as follows;—

The reasons advanced in the Minute of Council, approved on the 12th December, 1890, referring to the negotiations for a trade and fishery arrangement between the United States and Newfoundland, appear to Your Excellency's Government to be fully as important and pressing now as they were at the date of that Minute, and to be as applicable to the present draft convention as to the draft which had then been under consideration.

While those reasons have doubtless been considered by Her Majesty's Government, they do not appear to have had attached to them the weight which, in the opinion of Your Excellency's advisers, they are entitled to, for the despatch of Lord Knutsford, dated the 23rd January, instant, merely intimates the inconveniences of delay with regard to the convention proposed for Newfoundland, as though only delay had been asked, and as though objections in point of principle had not been advanced.

Her Majesty's Government will doubtless remember that when the protest of Your Excellency's Government against the draft convention, which was considered in December last, was made known to the principal Secretary of State for the Colonies, His Lordship intimated that if Canada were willing to commence negotiations at once, the Newfoundland Convention would not be concluded immediately, but that negotiations on behalf of Canada could go on *pari passu* with those regarding Newfoundland.

Your Excellency's Government at once assented to the propriety of this course, and announced their willingness to commence negotiations at once, with the sanction of Her Majesty's Government, only expressing a preference for a formal and official conference under commission, rather than a private and unofficial discussion.

No responsibility for delay rests on Your Excellency's Government. Even the dissolution of Parliament, which has been referred to as possible, would not retard negotiations.

The sub-Committee feel bound therefore to recommend that the Government of Canada insist on the importance of the negotiation concerning trade relations with Canada proceeding *pari passu* with those affecting Newfoundland.

The Sub-Committee observe that an examination of the proposed convention will show that while, as was stated in the Minute of Council, approved in December last, the advantages afforded to the British North American fishermen under the Treaty of 1818 would be reduced almost to a nullity, the fishery products of Newfoundland would be admitted to the markets of the United States under such a convention on such terms as to displace very largely the like products exported by the fishermen of Canada to that country.

That the Canadian Government has declared its policy to be that no commercial arrangements with a foreign country should be acceded to by Canada which would involve tariff discrimination against the mother country, and this principle has had the approval of Her Majesty's Government, but it will be difficult to induce the people of Canada to continue to believe in the importance of that principle, as a safeguard to the interests of the empire, if Great Britain now makes a convention for Newfoundland under which the United States is able to discriminate directly against Canada.

The Sub-Committee are of opinion that Your Excellency's Government should press the importance of permitting no discrimination, at least as against any part of British North America, to be made in any trade arrangement with the United States, and should continue to urge the necessity of insistence that in any such arrangement all Her Majesty's Provinces in North America shall participate equally.

The Sub-Committee submit that it seems necessary further to invite close attention to the fifth article of the draft convention. That article seems fairly open to the construction that if the existing rates of duty in Newfoundland on the articles mentioned in article four shall be reduced, as regards importations from other countries than the United States, the United States shall have a further reduction below that which the convention fixes as the maximum duties on United States goods of that description. If this is the construction intended, the convention is open to the further objection that it stipulates for a continued preference in the markets of Newfoundland for United States products over those of every other country, involving, therefore, not only discrimination by the United States in favour of Newfoundland, but by Newfoundland in favour of the United States, and such discrimination would be against Canada and the mother country as well.

The Committee concur in the said report of the Sub-Committee, and request that Your Excellency be pleased to transmit this minute, if approved, to the Right Honourable the Principal Secretary of State for the Colonies.

JOHN J. McGEE,
Clerk of the Privy Council.

No. 7.

Colonial Office to the Governor General.

23rd January, 1891.

Her Majesty's Government have given fullest considerations to representations of Canada against proposed Newfoundland Convention. As Canadian negotiations with the United States could not, even in despite of absence of further delay arising

from dissolution of Dominion Parliament, be commenced before March and may not be carried (?) this year, Newfoundland interests should not be indefinitely postponed. Newfoundland Ministers inform me that they are willing to negotiate for an arrangement with Canada on a basis similar to that of the proposed Convention with the United States. Her Majesty's Government strongly hope that your Government will, on this understanding, withdraw opposition to ratification of Convention between Newfoundland and the United States.

SECY. OF STATE.

No. 8.

Sir Julian Pauncefote to the Governor General.

WASHINGTON, 26th January, 1891.

MY LORD,—I have the honour to acknowledge the receipt of Your Excellency's Despatch No. 8, confidential, of the 22nd instant, containing an approved report of the Privy Council of Canada, dated 12th December, 1890, on the subject of the negotiation carried on by me with the assistance of the Colonial Secretary of Newfoundland for improving the trade relations between that Colony and the United States.

I have, &c.,

JULIAN PAUNCEFOTE.

His Excellency the Lord Stanley of Preston.

No. 9.

OFFICE OF THE HIGH COMMISSIONER FOR CANADA,

VICTORIA CHAMBERS, 17 VICTORIA STREET, LONDON, S.W.

25th March, 1891.

SIR,—I have the honour to transmit to you, under separate cover, book post, six copies of the following Imperial Parliamentary Paper for the information of the Government:—

Correspondence relating to a proposed Convention to regulate questions of Commerce and Fishery between the United States and Newfoundland (C.6303).

I have the honour to be, sir, your obedient servant,

J. G. COLMER, *for High Commissioner.*

The Right Honourable The Prime Minister, Ottawa, Canada.

NORTH AMERICA.

CORRESPONDENCE RELATING TO A PROPOSED CONVENTION TO REGULATE QUESTIONS OF COMMERCE AND FISHERY BETWEEN THE UNITED STATES AND NEWFOUNDLAND.

Table of Contents.

1890.

1. Sir Terence O'Brien, Feb. 28th (Received Mar. 20th). Encloses a minute of the Executive Council in favour of the establishment of a separate arrangement on fishery and commercial questions with the United States, as opposed to co-operation with Canada.

2. To Foreign Office, Apr. 2nd. Encloses copy of a despatch from the Governor of Newfoundland on the subject of the relations of the Colony with the United States, and states the terms of the proposed reply.
3. Foreign Office, Apr. 10th. Concurs in the proposed reply to the despatch from the Governor of Newfoundland relative to the desire of the colony for a separate arrangement with the United States.
4. To Sir Terence O'Brien, Apr. 12th. Observes that the question of a separate arrangement with the United States will receive the consideration of Her Majesty's Government.
5. Sir W. V. Whiteway, July 12th. Encloses a memorandum of proposals by himself and Mr. Harvey relative to the position of American subjects with regard to the Bait Bill.
6. Sir W. V. Whiteway, July 21st. Memorandum respecting the development of the resources of Newfoundland, and guarantee of a loan.
7. To Sir W. V. Whiteway, July 31st. State that Treasury would not consent to guarantee a loan unless it should form part of a general arrangement for settling the fisheries question with France.
8. Sir W. V. Whiteway, Sept. 9th. States that Mr. Bond, the Colonial Secretary, is proceeding to New York, and requests that he may be furnished with authority to communicate the views of the Newfoundland Government to Sir J. Pouncefote.
9. To Foreign Office, Sept. 9th. Transmits copy of Sir W. Whiteway's letter of 9th September, and enquires whether there is any objection to furnishing to Mr. Bond the authority asked for.
10. Foreign Office, Sept. 10th. Encloses copy of a letter of introduction to Sir J. Pouncefote for Mr. Bond.
11. To Robert Bond, Esq., Sept. 10th. Encloses a letter of introduction to Sir J. Pouncefote.
12. To Sir W. V. Whiteway, Sept. 11. States that a letter of introduction to Sir J. Pouncefote has been forwarded to Mr. Bond.
13. To Lord Stanley of Preston, Oct. 22nd (Telegraphic). Informs him of the receipt of a telegram from Sir J. Pouncefote, reporting the opening of negotiations between Newfoundland and the United States.
14. To the High Commissioner for Canada, Oct. 23rd. Conveys the substance of the Telegram from Sir J. Pouncefote enclosed in Foreign Office letter of 17th October.
15. The High Commissioner for Canada, Oct. 27th. Expresses his deep regret at the departure from the old policy of treating the North Atlantic Fishery question as one requiring unity of action between Newfoundland and Canada, and encloses copy of a Telegram from Sir John Macdonald on the subject.
16. Lord Stanley of Preston, Telegraphic (Received Oct. 31st). Reports that the Dominion Government wish to have an opportunity of being included in any arrangement.
17. To the High Commissioner for Canada, Nov. 1st. States that the representations made in his letter of 27th October will receive careful consideration.
18. To Foreign Office, Nov. 3rd. Transmits paraphrase of a Telegram from the Governor-General of Canada, with draft of the proposed reply, and suggests that Sir J. Pouncefote should be instructed to consider in what way the wish of Canada to be included in any arrangement may best be met.
19. Foreign Office, Nov. 4. Concurs in the proposed reply to Lord Stanley's Telegram of 30th October, and states that Sir J. Pouncefote has been instructed to report in what way the wish of the Canadian Government to be included in any arrangement can best be carried out.
20. To Lord Stanley of Preston, Telegraphic, Nov. 4th. Informs him that Mr. Bond has no powers or instructions to negotiate, and that Her Majesty's Government are in communication with Her Majesty's Minister at Washing-

- ton as to the desire of the Dominion Government to be included in any arrangement which may be concluded.
21. Foreign Office, Nov. 6th. Transmits paraphrase of a Telegram from Sir J. Paucefote, giving the substance of the draft convention which has been submitted to Mr. Blaine.
 22. Foreign Office, Nov. 10th. Transmits copy of a Despatch from Sir J. Paucefote, reporting the progress of the negotiations with Mr. Blaine.
 23. Foreign Office, Nov. 13th. Transmits copy of a Despatch from Sir J. Paucefote, covering a copy of the draft convention between Newfoundland and the United States, which has been privately communicated to Mr. Blaine.
 24. Foreign Office, Nov. 13th. Transmits paraphrase of a Telegram from Sir J. Paucefote, reporting that Mr. Blaine is anxious for the return of Mr. Bond to Washington.
 25. To Sir Terence O'Brien, Telegraphic, Nov. 14. States that Mr. Blaine desires that Mr. Bond should return at once to Washington.
 26. Sir Terence O'Brien, Telegraphic (Received 14th). Reports that the Colonial Secretary will leave by the first opportunity.
 27. To Lord Stanley of Preston, Telegraphic Extract, Nov. 15th. Conveys the substance of the draft convention between the United States and Newfoundland.
 28. Lord Stanley of Preston, Telegraphic Extract (Received Nov. 19th). Reports that his Ministers view with the utmost alarm the proposed convention between Newfoundland and the United States, and remonstrate against it being signed.
 29. To Lord Stanley of Preston, Telegraphic Extract, Nov. 25th. Observes that Her Majesty's Government would desire a full statement, showing how it is apprehended that injury would result to Canada from the Newfoundland convention.
 30. Sir Terence O'Brien, Telegraphic (Received Nov. 29th). Reports that his Government strongly desire that Sir J. Paucefote may be authorized without delay to sign the convention with the United States.
 31. Sir Terence O'Brien, Nov. 21st (Received Dec. 5th). Reports that Mr. Bond left for Washington on the 21st November.
 32. Sir Terence O'Brien, Telegraphic (Received Dec. 9th). Reports that his Ministers make urgent representations that proper authority to sign the convention may be sent to Her Majesty's Minister without delay.
 33. To Sir Terence O'Brien, Telegraphic, Dec. 10th. Observes that Her Majesty's Government are not at present able to authorize Sir J. Paucefote to conclude the draft convention, as it is necessary to consider how Canadian interests may be affected.
 34. Sir Terence O'Brien, Telegraphic, Dec. 12th (Received Dec 12th). Transmits a minute of the Executive Council repudiating the interference of Canada, whose interests are not identical with those of Newfoundland, and praying Her Majesty's Government to reconsider their decision not to conclude the convention at present.
 35. To Sir Terence O'Brien, Telegraphic, Dec. 18th. Observes that there would be little inconvenience in the delay involved by a full consideration of the interests affected by the draft convention.
 36. Foreign Office, Dec. 18th. Transmits a paraphrase of a Telegram from Sir J. Paucefote, stating that Mr. Blaine has intimated his willingness to accept a modification of the convention with Newfoundland, and that Mr. Bond has returned to the Colony.
 37. Sir Terence O'Brien, Telegraphic (Received Dec. 22nd). Transmits a minute from Ministers appealing to Her Majesty's Government to sanction the conclusion of the convention, and emphatically protesting against the introduction of Canadian questions.

38. Lord Stanley of Preston, Dec. 13th (Received Dec. 29th). Transmits copy of Privy Council Minute regarding the recent negotiations between Mr. Bond, of Newfoundland, and the Government of the United States.
39. Sir Terence O'Brien, Telegraphic (Received Dec. 29th). Reports that his Ministers approve the convention which Mr. Bond has arranged with the United States, and requests that immediate instructions may be given to Her Majesty's Minister at Washington to sign it, as the delay is prejudicial to trade relations, and public opinion is strongly agitated.
40. To Sir Terence O'Brien, Telegraphic Extract, Jan. 1st, 1891. Requests information as to modifications of the convention conceded to the United States.
41. Sir Terence O'Brien, Telegraphic Extract (Received Jan. 3rd). Reports that his Government do not suppose that Her Majesty's Government will intervene objections.
42. Foreign Office, Jan. 7th. Encloses paraphrase of a Telegram from Sir J. Pouncefote reporting the substance of the counter-draft of a convention with Newfoundland which had been communicated by Mr. Blaine.
43. To Sir Terence O'Brien, Telegraphic, Jan. 13th. Conveys the substance of the counter-draft of a convention which Mr. Blaine has intimated his willingness to accept.
44. To Foreign Office, Jan. 13th. Requests that Sir J. Pouncefote may be instructed to send direct to Newfoundland a copy of the counter-draft handed to him by Mr. Blaine.
45. Foreign Office, Jan. 14th. States that Sir J. Pouncefote has been instructed to send copies of Mr. Blaine's counter-draft to Newfoundland and Canada.
46. Sir Terence O'Brien, Telegraphic (Received Jan. 17th). Expresses the deep regret of his Government that the United States Government have struck crude minerals out of the list of articles to be admitted under the convention, and renews their protest against the grievous injustice which is being done to the Colony.
47. Sir J. Pouncefote, Dec. 26th (1890). Reports the proceedings of Mr. Bond at Washington during his visit in November and December last, and encloses copy of revised draft agreement arranged between Mr. Bond and Mr. Blaine.
48. Sir J. Pouncefote, Extract, Jan. 6th. Transmits copy of counter-draft of a convention which had been handed to him by Mr. Blaine.
49. To Sir Terence O'Brien, Telegraphic Jan. 23rd. Observes that Her Majesty's Government feel compelled to maintain the position they have taken up as to deferring the draft convention with the United States, but they are prepared to accept the principle of an Imperial guarantee for a loan for railway construction, and desire information as to the probable amount required, &c.
- 49a. To Lord Stanley of Preston, Telegraphic, January 23rd. Observes that Her Majesty's Government has given fullest consideration to the representations of Canada, and that the interests of Newfoundland should not be indefinitely postponed.
50. To Sir Terence O'Brien, Telegraphic Extract Jan. 23rd. States that the tone of his Telegram of 17th January is not justified, and that the question cannot be disposed of as speedily as was anticipated and desired.
51. Ditto, Telegraphic Feb. 9th. States that Her Majesty's Government are willing to propose a loan to develop the resources of the Colony, as indicated in the Telegram of 23rd January, after a Commission has reported on the condition and resources of the Colony.
52. Ditto, Telegraphic Feb. 9th. Informs him that Her Majesty's Government regret that they are not at present in a position to proceed with the convention.
53. Sir Terence O'Brien, Telegraphic (Received Feb. 10th). Reports that his Government cannot understand the withdrawal of Her Majesty's Government from a distinct and positive undertaking, and they observe that in making the interests of Newfoundland subservient to those of Canada Her Majesty's Government are ruining the future prospects of the Colony.

54. To Sir Terence O'Brien, Telegraphic Feb. 11th. Informs him that Her Majesty's Government have definitely decided not to proceed with the convention at present, and that they have observed the language of his Ministers with much regret.
55. Ditto, Feb. 12th. Sets forth the reasons for which Her Majesty's Government have decided that until it has been more definitely ascertained whether negotiations between Canada and the United States can proceed, the Newfoundland convention must remain in abeyance.
56. Lord Stanley of Preston, Jan. 31st (Received Feb. 13th). Incloses copy of a Minute of the Privy Council conveying the views of the Dominion Government upon the Newfoundland convention with the United States.
57. To Sir Terence O'Brien, Telegraphic Extract Feb. 14th. Instructs him to present the Secretary of State's Despatch of 12th February to both Houses.
58. Sir Terence O'Brien, Telegraphic (Received Feb. 14th). Transmits resolutions of both Houses protesting against the interests of Newfoundland being made subservient to those of Canada, and urging Her Majesty's Government to immediately ratify the convention.
59. To Sir Terence O'Brien, Telegraphic Feb. 17th. Points out, with reference to a statement in the resolutions of the Legislature, that Mr. Bond was invited to return to Washington to furnish information, and not to conclude the negotiation.
60. Ditto, Telegraphic Feb. 21st. Observes that it was a very unusual course for a member of the Colonial Government to propose to the Legislature resolutions condemning the proceedings of Her Majesty's Government without placing before it full reasons which had led to the action objected to.
61. Sir Terence O'Brien, Feb. 16th (Received Mar. 3rd). Transmits copy of the resolutions passed by both Houses of the Legislature regarding the delay in ratifying the convention.
62. Telegraphic (Received Mar. 7th). Submits text of resolution passed by House of Assembly in answer to Secretary of State's Telegram of 11th February, and Despatch of 12th February, regarding the proposed convention with the United States.
63. Telegraphic Mar. 7th. (Received Mar. 8th.) States in detail the text of the paragraph objected to by him in the Address received from Ministers.
64. To Sir Terence O'Brien. Mar. 12th. Recapitulates the correspondence which has passed in connection with Mr. Bond's mission and the proposed convention, and points out that the Newfoundland Legislature has again recorded an inaccurate view of the transactions referred to.

CORRESPONDENCE relating to a proposed Convention to regulate Questions of Commerce and Fishery between the United States and Newfoundland.

No. 1.

Sir Terence O'Brien to Lord Knutsford.

Received 20th March, 1890.

GOVERNMENT HOUSE,

ST. JOHN'S, NEWFOUNDLAND, 28th February, 1890.

MY LORD,—I have the honour to enclose a copy of a Minute of Council of 27th instant, when a telegraphic message from His Excellency the Governor General of Canada and my reply thereto were considered.

2. Your Lordship will observe that my Ministers are strongly of opinion that, as our interests are not identical, and we have no burning questions with the United States such as those existing between that country and the Dominion, we would be more likely to obtain better reciprocal advantages for our fisheries by negotiating

direct with the former than while we are included with the latter in such arrangements.

3. From a report made by the then Colonial Secretary, the Hon. E. D. Shea, dated 9th December, 1884, it would appear that this matter has been already laid before the Imperial Government, when great hopes were held out that it would be favourably received. It was, however, postponed until after the Presidential election, when, the mission of the Right Hon. J. Chamberlain supervening, Newfoundland found itself included with Canada in the *modus vivendi* necessitated by the failure of these negotiations.

4. As I have reason to believe that the States would not object to treat with us direct, and would give us far better terms than we have at present, I fully concur in the proposals of my Government, and would strongly urge Your Lordship giving them your favourable consideration.

I have, &c.,

T. O'BRIEN, Lieut.-Colonel,
Governor.

The Right Hon. Lord KNUTSFORD, G.C.M.G.,
&c., &c., &c.

[Enclosure in No. 1.]

EXTRACT from *Minutes of Council of 27th February, 1890.*

His Excellency the Governor having brought under the notice of Council the following telegram received by him from the Governor General of Canada on the 22nd instant, viz.: "My Ministers would like to have the views of your Government on the question of extending the operation of the *modus vivendi* for another year or longer," it was resolved that a reply be forwarded that "Bait question is under the consideration of my Government. Until a decision is arrived at no answer can be given," and that as the interests of this Colony are not identical with those of the Dominion of Canada, that a strong representation to that effect be made to the Imperial Government, with a view to negotiations with the United States Government being entered upon for a distinct arrangement with reference to this Colony as regards the fishery questions and trade relations.

No. 2.

Colonial Office to Foreign Office.

DOWNING STREET, 2nd April, 1890.

SIR,—I am directed by Lord Knutsford to transmit to you, to be laid before the Marquis of Salisbury, a copy of a despatch (No. 1) from the Governor of Newfoundland, enclosing a Minute of Council expressing the wish of the Government of that Colony that negotiations should be entered upon for a distinct arrangement with reference to that Colony as regards the fishing questions and trade relations with the United States.

Lord Knutsford proposes at present, with Lord Salisbury's concurrence, merely to acknowledge the receipt of this despatch, and to promise that the matter shall receive the consideration of Her Majesty's Government, and to defer any further reply until the excitement at present existing in the Colony in regard to the French lobster fishery question has to some extent abated, or until Her Majesty's Government are enabled to discuss the matter personally with the Premier of the Colonial Government on his arrival in this country.

I am, &c.,

JOHN BRAMSTON.

The Under Secretary of State,
Foreign Office.

No. 3.

Foreign Office to Colonial Office.

FOREIGN OFFICE, 10th April, 1890.

SIR,—I have laid before the Marquis of Salisbury your letter of the 2nd instant, (No. 2) enclosing a copy of Sir T. O'Brien's despatch of the 28th of February as to the views of the Government of Newfoundland in regard to the operation of the *modus vivendi*, temporarily established by the Protocols signed at Washington on the 15th February, 1888, for regulating the fisheries on the Atlantic Coast of North America.

In reply, I am directed by His Lordship to request that you will state to Secretary Lord Knutsford that he concurs in the course which it is proposed to take in this matter at the present time.

I am, &c.,
P. W. CURRIE.

The Under Secretary of State,
Colonial Office.

No. 4.

Lord Knutsford to Sir Terence O'Brien.

DOWNING STREET, 12th April, 1890.

SIR,—I have the honour to acknowledge the receipt of your despatch of the 28th of February last, (No. 1) enclosing a copy of a Minute of Council expressing the wish of your Government that negotiations should be entered upon for a distinct arrangement with reference to Newfoundland as regards the fishing questions and trade relations with the United States.

At the present moment, I can only assure you that this question will receive the consideration of Her Majesty's Government, but I should be glad of the opportunity of discussing the matter with the Premier of your Government on his arrival in this country.

I have, &c.,
KNUTSFORD.

SIR TERENCE O'BRIEN.

No. 5.

Sir W. V. Whiteway to Colonial Office.

HOTEL METROPOLE, LONDON, July 12th, 1890.

DEAR LORD KNUTSFORD,—According to your request, I beg to enclose a memorandum which Mr. Harvey agrees with me as our suggestion in the matter of the United States question.

We therefore submit same for your consideration.

I am, &c.,
W. V. WHITEWAY.

The Right Hon. Lord KNUTSFORD.

[Enclosure in No. 5.]

MEMORANDUM *with regard to the United States.*

American vessels to have the privilege of purchasing bait at all times on same terms and in same quantities as Newfoundland vessels, and to have all privileges of touching and trading, selling fish, oil, &c., and getting supplies without other charges than light and harbour dues and customs dues, such as are levied on Newfoundland vessels similarly employed.

American vessels procuring bait from Newfoundland to give bonds, similar to bonds given by Newfoundland vessels, with like penalties; provision to be made for enforcing penalties in United States territory.

In return, United States to admit codfish, cod oil, seal oil, herrings, salmon, &c., from Newfoundland, the produce of Newfoundland fisheries, free of duty.

July 12th, 1890.

No. 6.

Sir W. Whiteway to Colonial Office.

MEMORANDUM respecting the Development of the Resources of Newfoundland, and the Guarantee by Her Majesty's Government of a Loan for that purpose to be raised by the Government of the Colony.

The "Handbook of Newfoundland" is furnished herewith, in which the resources of the Colony—agricultural, mineral and forests—are referred to.

There has already been built about 120 miles of railroad, and a contract has been entered into for the construction of about 270 miles more, which, with about 150 miles additional, would open the lands referred to in the Handbook. The fisheries of Newfoundland, although a great source of continuous wealth, can only afford employment to a certain number, and therefore an increasing population must either emigrate or find other sources of industry. The large areas of land might be made a location for a thriving agricultural population of immigrants, and their introduction into the Colony would be of material advantage in instructing the people of the Colony in agricultural pursuits, for which their hereditary occupation of fishing has not qualified them, but the youth may be drawn off into the interior by example and inducements to settle there.

To develop this country requires an expenditure of capital which cannot be immediately remunerative, and there is comparatively a small population, say about 190,000, for opening up a country in extent equal to about England and Wales.

The Government and people are making strenuous efforts to accomplish this object, but they are still suffering from that policy which in the past dictated the action of the Imperial Government in keeping the Newfoundland fisheries as a nursery for British seamen, and preventing settlement in the Colony, and also from unfortunate treaties which have tended to crush the energies of a hardy race of men, and thwarted the progress of the island.

Whilst other British Colonies have received encouragement and pecuniary aid towards their development, Newfoundland has had to struggle against prohibitory and oppressive laws. It is now asked that Her Majesty's Government will make amends for the errors of past Governments, and aid in the Colony's development, not by advancing money from the Imperial Treasury, but only to guarantee a loan, say 10 million dollars, or about 2 millions sterling, for the purposes before mentioned, by doing which Her Majesty's Government will incur no risk. This will enable the Colony to obtain the loan at a very low rate of interest, and the money judiciously expended in railroads and in aiding settlement will be of advantage, not only to Newfoundland, but to the mother country, in developing her oldest and nearest Colony, and in affording houses there for numbers of her surplus agricultural labourers, from whose industry there is every reason for believing much wealth may be poured into Britain from the lands of Newfoundland, as in the past has been the case from her fisheries.

21st July, 1890.

No. 7.

Colonial Office to Sir W. Whiteway.

DOWNING STREET, July 31st, 1890.

SIR,—I am directed by Lord Knutsford to acknowledge the receipt of your memorandum of the 21st instant (No. 6), "respecting the development of the resources of Newfoundland, and the guarantee by Her Majesty's Government of a loan for that purpose to be raised by the Government of the Colony."

Lord Knutsford fears that it would not be possible to obtain at the present moment the consent of the Lords Commissioners of the Treasury to a guarantee of a loan of 2,000,000*l.* for the purposes suggested, nor at any time unless such a guarantee should form a part of a general arrangement for the settlement of the fisheries question with France.

At the same time, in case any opportunity should occur for making a proposal to the Treasury, it would be desirable that Lord Knutsford should be furnished with a complete statement of the financial condition and prospects of the Colony, and he would be glad if you would favour him with such a statement showing the condition of the Colony during recent years.

Any papers in the possession of this Department which would facilitate the preparation of such a statement will be at your disposal for the purpose of reference.

I am, &c.,

JOHN BRAMSTON.

Sir WILLIAM WHITEWAY, Q.C., K.C.M.G.

No. 8.

Sir W. V. Whiteway to Colonial Office.

LONDON, 9th September, 1890.

SIR,—Having understood that Her Majesty's Government has consented to negotiate with the United States Government with a view to an arrangement under which fish and other products of Newfoundland may be admitted into the United States free of duty, in return for concessions to be made by Newfoundland as regards the purchase of bait by United States fishermen, I beg to say that the Honourable Mr. Robert Bond, Colonial Secretary of Newfoundland, is about to proceed to New York, leaving London to-morrow (Wednesday), the 10th instant; and I have the honour to ask the favour of his being furnished with such authority as may be deemed necessary for his communicating to Her Majesty's Minister at Washington the views of the Newfoundland Government, in order to the attainment of the object desired.

I am, &c.,

W. V. WHITEWAY,

Premier and Attorney-General, Newfoundland.

JOHN BRAMSTON, Esq., C.B.

P.S.—Should there be no prospect of conceding Mr. Bond's request by letter to be posted to-morrow addressed to him steamship "Polynesian," Queenstown, may I beg that it be addressed as soon as possible to him, Astor House, New York?

W. V. W.

No. 9.

Colonial Office to Foreign Office.

DOWNING STREET, September 9th, 1890.

SIR,—I am directed by Lord Knutsford to transmit to you, for communication to the Marquis of Salisbury, a copy of a letter (No. 8) from Sir William Whiteway,

requesting that Mr. Bond, Colonial Secretary of Newfoundland, who leaves for New York to-morrow, may be authorized to communicate to Sir Julian Pauncefote, at Washington, the views of the Colonial Government on the subject of the proposed separate arrangements respecting fishery questions between Newfoundland and the United States.

I am to request to be informed whether Lord Salisbury has any objection to giving the proposed authority.

The Under Secretary of State,
Foreign Office.

I am, &c.,
JOHN BRAMSTON.

No. 10

Foreign Office to Colonial Office.

FOREIGN OFFICE, September 10th, 1890.

SIR,—I am directed by the Marquis of Salisbury to acknowledge the receipt of your letter of yesterday (No. 9), forwarding a letter from Sir W. Whiteway, in which he states that the Honourable Robert Bond, Colonial Secretary of Newfoundland, is authorized by him to explain to Her Majesty's Minister at Washington the views of the Newfoundland Government in regard to an arrangement for the admission of fish and other products of Newfoundland into the United States free of duty, in exchange for facilities for the purchase of bait by United States fishermen.

Sir W. Whiteway requests that Sir J. Pauncefote may be informed that Mr. Bond has authority to speak to him on the subject.

I am to inclose a despatch to Sir J. Pauncefote, introducing Mr. Bond, which Lord Salisbury has had pleasure in giving, in compliance with Sir W. Whiteway's wishes.

The Under Secretary of State,
Colonial Office.

I am, &c.,
T. H. SANDERSON.

[Enclosure in No. 10.]

The Marquis of Salisbury to Sir J. Pauncefote.

FOREIGN OFFICE, 10th September, 1890.

SIR,—This despatch will be delivered to you by the Honourable Robert Bond, Colonial Secretary of Newfoundland, who is about to proceed to New York, and has been commissioned by Sir W. Whiteway, the Prime Minister of the Colony, to communicate to you the views and wishes of the Newfoundland Government with regard to an arrangement for the admission of fish and other products of Newfoundland to the United States free of duty, in return for concessions as to the purchase of bait by United States fishermen.

Sir W. Whiteway has requested that you may be informed that Mr. Bond has authority to speak to you on the subject in the name of the Newfoundland Government, and I have accordingly furnished him with this introduction to you.

I am, &c.,
SALISBURY.

No. 11.

Colonial Office to Robert Bond, Esq.

DOWNING STREET, September 10th, 1890.

SIR,—I am directed by Lord Knutsford to transmit to you a letter of introduction (Enclosure in No. 10) to Her Majesty's Minister at Washington, which has

been obtained from the Foreign Office, at the request of Sir W. V. Whiteway, to enable you to explain to Sir Julian Pauncefote the views of the Newfoundland Government in regard to the proposed arrangement to obtain the admission free of duty into the United States of fish and other products of the Colony.

ROBERT BOND, Esq.

I am, &c.

JOHN BRAMSTON.

No. 12.

Colonial Office to Sir W. V. Whiteway.

DOWNING STREET, September 11th, 1890.

SIR,—In reply to your letter of the 9th instant (No. 8), I am directed by Lord Knutsford to inform you that a letter of introduction to Her Majesty's Minister at Washington, obtained from the Foreign Office, to enable Mr. Bond to explain to Sir Julian Pauncefote the views of the Newfoundland Government in regard to the admission of fish and other products of the Colony into the United States, was yesterday forwarded to Mr. Bond, to the care of the captain of the steamship *Poly-nesian*, Queenstown.

I am, &c.,

JOHN BRAMSTON.

Sir W. V. WHITEWAY, Q.C., K.C.M.G.

No. 13.

Lord Knutsford to Lord Stanley of Preston.

Telegraphic.

October 22, 1890.—The following is the substance of a telegram received by the Marquis of Salisbury from British Minister at Washington, 17th instant:—

“With reference to your Lordship's despatch of the 10th ultimo, introducing Mr. Robert Bond, I have presented that gentleman to Mr. Secretary Blaine, and negotiations are now going on with a view to an independent arrangement between the United States and Newfoundland relating to the fisheries. Before negotiations go further, I would suggest that the Government of Canada might be informed, as they might wish to negotiate on the same lines as regards the Provinces of New Brunswick and Nova Scotia.”

No. 14.

Colonial Office to the High Commissioner for Canada.

DOWNING STREET, October 23, 1890.

SIR,—I am directed by Lord Knutsford to acquaint you that a telegram dated the 16th instant, has been received from her Majesty's Minister at Washington by the Secretary of State for Foreign Affairs, of which the following is the purport:—

“With reference to your despatch of the 10th ultimo, introducing Mr. Bond, I have presented that gentleman to Mr. Secretary Blaine, and negotiations are now going on with a view to an independent arrangement between the United States and Newfoundland relating to the fisheries. Before negotiations go further, I would suggest that the Government of Canada might be informed of them, as they might wish to negotiate on the same lines as regards New Brunswick and Nova Scotia.”

The substance of Sir J. Pauncefote's telegram has been communicated by telegraph to the Governor General of Canada.

I am, &c.,

The High Commissioner for Canada.

JOHN BRAMSTON.

No. 15.

*The High Commissioner for Canada to Colonial Office.*VICTORIA CHAMBERS, 17 VICTORIA STREET,
LONDON, 27th October, 1890.

MY LORD,—I had the honour to receive at Paris, on the 23rd instant, Mr. Bramston's despatch of the same date (No. 14), saying:—

"I am directed by Lord Knutsford to acquaint you that a telegram dated 6th instant, has been received from Her Majesty's Minister at Washington by the Secretary of State for Foreign Affairs, of which the following is the purport:

"With reference to your despatch of the 10th ultimo, introducing Mr. Bond, I have presented that gentleman to Mr. Secretary Blaine, and negotiations are now going on with a view to an independent arrangement between the United States and Newfoundland relating to the fisheries. Before negotiations go further, I would suggest that the Government of Canada might be informed of them, as they might wish to negotiate on the same lines as regards New Brunswick and Nova Scotia."

I had previously received a telegram from the Premier of Canada as follows:—

"Bond, Whiteway's Minister, now at Washington, announces authority from Imperial Government to make separate Fishery Treaty. Ascertain truth and enter protest. See 'New York Herald,' 13th, 'Boston Herald,' 18th October."

I believe I am right in saying that in reference to the question of the Atlantic North American fisheries Her Majesty's Government has hitherto invariably recognized the importance of obtaining unity of action, so far as was possible, on the part of all the Colonies interested. In the Treaty of Reciprocity with the United States in 1854, the consent of Newfoundland, as well as of the various provinces of Canada, was made necessary to its going into operation; and the same course was followed, subsequent to confederation, in reference to the treaties of 1871 and 1888.

I learn with deep regret that this obviously sound policy has not only been departed from, but that, while Newfoundland has on previous occasions been fully advised as to negotiations that were to be undertaken, Her Majesty's Government have, without any intimation to Canada of what was proposed, authorized, so long ago as the 10th September, Newfoundland to open negotiations for a separate treaty with the United States; and that the first communication to Canada is a suggestion from Sir J. Pannecote not to include Canada in the proposed arrangements, but "that the Government of Canada might be informed of them, as they might wish to negotiate on the same lines as regards New Brunswick and Nova Scotia," *i.e.*, for a treaty independent of the other provinces of Canada.

I should fail in my duty to the Crown, as well as to Canada, if I did not promptly assure your Lordship that I feel confident the difficulties of the vexed question of the British North American fisheries will be greatly increased by the wide departure that is now proposed from the long-established policy that has hitherto prevailed upon this very important question.

I am, &c.,

CHARLES TUPPER.

The Right Hon. Lord KNUTSFORD, G.C.M.G.,
Secretary of State for the Colonies.

P.S.—Since writing my letter, I have received the following telegram from Sir John A. Macdonald, which I beg to quote for the consideration of Her Majesty's Government:—

"Can scarcely believe Newfoundland has received authority from Imperial Government to make separate arrangement respecting fisheries. The relations of all the North American provinces to United States and to the Empire would be affected. We are not informed of powers given to Bond, and desire communication of them. Please represent strongly how the fishery and commercial interest of Canada will be injured by such an arrangement as Bond is currently reported as making, and how disastrous from a national point of view it would be for a separate colony to effect

an arrangement with the United States more favourable than would be given to the confederated provinces. Our difficulties under new American tariff are sufficiently great now."

C. T.

No. 16.

Lord Stanley of Preston to Lord Knutsford.

Received 31st October, 1890.

Telegraphic.

Referring to your telegram of the 22nd (No. 13), Dominion Government are not informed of Bond's powers or instructions, and wish for communication thereof, and to have opportunity reserved for Canada to be included in any arrangement.

No. 17.

Colonial Office to the High Commissioner for Canada.

DOWNING STREET, 1st November, 1890.

SIR,—I am directed by Lord Knutsford to acknowledge the receipt of your letter of the 27th ultimo (No. 15) drawing attention to the objection entertained by the Government of Canada to separate fishery arrangement between the United States and Newfoundland, and to acquaint you that the representation which it contains will receive very careful consideration.

I am, &c.,
The High Commissioner for Canada. JOHN BRAMSTON.

No. 18.

Colonial Office to Foreign Office.

DOWNING STREET, November 3rd, 1890.

SIR,—I am directed by Lord Knutsford to transmit to you, to be laid before the Marquis of Salisbury, a paraphrase of a Telegram (No. 16) received from the Governor-General of Canada relating to the negotiations proceeding at Washington on the subject of an arrangement between the United States and Newfoundland relating to the fisheries.

Lord Knutsford proposes, with Lord Salisbury's concurrence, to reply to the Governor-General in the terms of the Telegram (See No. 20) of which a draft is inclosed; and he would suggest, for Lord Salisbury's consideration, whether it would not be advisable that the Governor-General's Telegram and the reply should be telegraphed to Sir Julian Pauncefote, with instructions to consider in what way the wish of Canada to be included in any arrangement may best be made, and to telegraph home for consideration the terms of any convention or arrangement which he thinks could be obtained or is desirable.

I am, &c.,
JOHN BRAMSTON.

The Under Secretary of State,
Foreign Office.

No. 19.

Foreign Office to Colonial Office.

FOREIGN OFFICE, 4th November, 1890.

SIR,—With reference to your letter of yesterday's date (No. 18), respecting the proposed negotiations between Newfoundland and the United States for an arrangement as to the fisheries question, I am directed by the Marquis of Salisbury to request that you will state to Lord Knutsford that he concurs in the proposed reply to Lord Stanley's telegram of the 30th ultimo (No. 16).

I am to add that, in accordance with the suggestion made in your letter, the telegraphic correspondence with the Governor General of Canada on this subject has been communicated by telegraph to Her Majesty's Minister at Washington.

Sir Julian Pauncefote has also been requested to report in what way he considers that the wish of the Canadian Government to be included with that of Newfoundland in any arrangement made with the United States can best be carried out.

I am, &c.,

P. W. CURRIE.

The Under Secretary of State,
Colonial Office.

No. 20.

*Lord Knutsford to Lord Stanley of Preston.**Telegraphic.*

4th November, 1890. Your telegram of 30th October (No. 16). Bond has no powers or instructions. Having decided to visit Washington he was introduced to the British Minister in order to consider with him whether, as Newfoundland delegates believed, United States would, under McKinley law, remit or reduce duty on Newfoundland fish if Colony granted reciprocally facilities for procuring bait. No wider arrangement suggested. Her Majesty's Government are in communication with British Minister respecting wish of Dominion Government that Canada should be included in any arrangement.

No. 21.

Foreign Office to Colonial Office.

FOREIGN OFFICE, November 6th, 1890.

SIR,—With reference to my letter of the 4th instant (No. 19), I am directed by the Marquis of Salisbury to transmit herewith, for the information of Secretary Lord Knutsford, a paraphrase of a telegram from Sir J. Pauncefote, giving the substance of a draft convention he has privately communicated to Mr. Blaine for an arrangement as to fishing questions and trade regulations between the United States and Newfoundland.

I am to point out that Sir J. Pauncefote defers replying to the inquiry addressed to him as to the best mode of including Canada in such an arrangement until he has discussed the draft with Mr. Blaine.

I am, &c.,

P. W. CURRIE.

The Under Secretary of State,
Colonial Office.

[Enclosure in No. 21.]

Paraphrase of Telegram from Sir J. Pauncefote.

WASHINGTON, 5th November, 1890.

In reply to your Lordship's telegram of yesterday, I beg to state that Sir W. Whiteway's memorandum of the 12th July (Enclosure in No. 5), corresponds exactly

with the convention I have communicated to Mr. Blaine, except that, in accordance with Mr. Bond's request, crude minerals have been added.

The 1st article provides that the privilege of purchasing bait fishes in Newfoundland in the same manner as vessels of the Colony shall be accorded to United States fishing vessels; also that United States fishing vessels shall be allowed to touch and trade, sell their fish and oil, and procure supplies, on condition that they pay the same dues as Newfoundland vessels, and conform to the harbour regulations.

In Article II provision is made that facilities shall be given for recovery of penalties in United States Courts under bonds against United States citizens.

Under Article III the United States are to admit duty free the produce of the fisheries of Newfoundland, including cod and seal oil, and also the produce of mines.

By Article IV it is agreed that the Convention shall hold good for ten years, and that after that period it shall, subject to one year's notice, continue from year to year.

I hope to discuss the above proposal with Mr. Blaine in the course of a few days, and until I have done so, I would ask to be allowed to defer my reply to your Lordship's inquiry as to the best mode of including Canada in the arrangement.

No. 22.

Foreign Office to Colonial Office.

FOREIGN OFFICE, 10th November, 1890.

SIR,—I am directed by the Marquis of Salisbury to transmit herewith, for Lord Knutsford's information, a copy of a despatch from Her Majesty's minister at Washington on the subject of Mr. Bond's visit to the United States, and the progress of the negotiations for a reciprocity arrangement between that country and Newfoundland on fishery and trading questions.

The Under Secretary of State,
Colonial Office.

I am, &c.,
P. W. CURRIE.

[Enclosure in No. 22.]

Sir J. Pouncefote to the Marquis of Salisbury.

(Extract.)

WASHINGTON, October 30th, 1890.

MY LORD,—With reference to your Lordship's despatch of the 10th ultimo (Enclosure in No. 10), informing me of the intended visit to this country of the Honourable Robert Bond, Colonial Secretary of Newfoundland, for the purpose of communicating to me the views and wishes of the Colonial Government with regard to a reciprocity arrangement with the United States, I have the honour to report that Mr. Bond arrived in Washington at the end of last month, while I was still at Magnolia.

The Secretary of State happened to be passing through Washington at the time, and I availed myself of the opportunity to request him to receive Mr. Bond unofficially, in order that he might explain to him informally the general character of the proposed arrangement, and the advantages which would result to the United States from its adoption.

Mr. Blaine at once acceded to my request, and Mr. Bond had a lengthy interview with him, the result of which was that I was invited to put the Newfoundland proposals in the shape of a draft convention.

I accordingly transmitted to Mr. Blaine a draft which had been previously approved by Mr. Bond, and I have every hope that it will be accepted without any important modifications, provided it should not meet with any formidable opposition

on the part of the representatives of the fishery interests in New York, Boston and Gloucester.

* * * * *

I have, &c.,

JULIAN PAUNCEFOTE.

The Marquis of Salisbury, K.G.,
&c., &c.

No. 23.

Foreign Office to Colonial Office.

FOREIGN OFFICE, November 13th, 1890.

SIR,—With reference to my letters of the 6th and 10th instant, (Nos. 21 and 22) I am directed by the Marquis of Salisbury to transmit herewith, for Lord Knutsford's information, a copy of a Despatch from Her Majesty's Minister at Washington, inclosing a copy of the draft convention for the improvement of the commercial relations between the United States and Newfoundland which he has communicated privately to Mr. Blaine.

I am, &c.,

P. W. CURRIE.

The Under Secretary of State,
Colonial Office.

[Enclosure in No. 23.]

Sir J. Pauncefote to the Marquis of Salisbury.

WASHINGTON, November 4th, 1890.

MY LORD,—In continuation of my Despatch of the 30th ultime (Enclosure in No. 22) respecting the pending negotiations for a reciprocity arrangement with the United States in relation to Newfoundland, I have the honour to inclose a copy of the draft convention referred to in that Despatch, and of the private note in which I transmitted it to Mr. Blaine for his consideration.

The draft is in precise accordance with the wishes of the Newfoundland Government, with the addition of crude minerals to the list of free imports. This I inserted in Article III at the request of the Honourable Mr. Bond, the Colonial Secretary of Newfoundland, and being pressed by him to send the draft to Mr. Blaine at once I acceded to his request.

I trust that my action in this matter under the circumstances will meet with your Lordship's approval.

I have, &c.,

JULIAN PAUNCEFOTE.

The Marquis of SALISBURY, K.G.,
&c. &c. &c.

DRAFT CONVENTION.

CONVENTION between Great Britain and the United States of America for the improvement of commercial relations between the United States and her Britannic Majesty's Colony of Newfoundland.

The Governments of Great Britain and of the United States, desiring to improve the commercial relations between the United States and Her Britannic Majesty's Colony of Newfoundland, have appointed as their respective Plenipotentiaries, to wit:—

who, after having communicated to each other their respective full powers, found in good and due form, have agreed upon and concluded the following Articles:—

ARTICLE I.

United States fishing-vessels entering the waters of Newfoundland shall have the privilege of purchasing herring, caplin, squid and other bait fishes, at all times, on the same terms and conditions in all respects as Newfoundland vessels. They shall also have the privilege of touching and trading, selling fish and oil, and getting supplies in Newfoundland, conforming to the harbour regulations, but without other charge than the payment of such light, harbour, and customs dues as are, or may be, levied on Newfoundland fishing-vessels.

ARTICLE II.

Whereas the master of every United States fishing-vessel to whom a licence to purchase bait may be granted under the last preceding Article will be required to enter into the bond prescribed by law in the case of Newfoundland vessels, and difficulties may arise in recovering penalties incurred by United States citizens for the violation of such bonds, the United States Government agree to take such measures as may be necessary to enable the Government of Newfoundland to recover such penalties in the Courts of the United States.

ARTICLE III.

The produce of Newfoundland fisheries, that is to say, codfish, cod oil, seal oil, herrings, salmon, lobsters, &c., and all crude or unmanufactured produce of Newfoundland mines, shall be admitted into the United States free of duty.

ARTICLE IV.

This convention shall be ratified, and the ratifications shall be exchanged in as soon as possible.

It shall come into force on such day as shall be agreed on between the High Contracting Parties, and it shall continue in force for the term of ten years from the date at which it may come into operation, and, further, until the expiration of twelve months after either of the High Contracting Parties shall give notice to the other of its wish to terminate the same, each of the High Contracting Parties being at liberty to give such notice to the other at the end of the said term of ten years, or at any time afterwards.

In faith whereof we, the respective Plenipotentiaries, have signed this convention, and have hereunto affixed our seals.

Done in duplicate at Washington this day of , in the year of our Lord 1890.

Sir J. Pauncefote to Mr. Blaine.

MAGNOLIA, MASSACHUSETTS, October 18th, 1890.

DEAR MR. BLAINE,—I am informed by Mr. Bond, the Colonial Secretary of Newfoundland, that at the interview which you were good enough to give him on the 7th instant you expressed the wish that I should send you a draft of a convention embodying the arrangement proposed by the Newfoundland Government.

I have much pleasure in complying with that request, and I beg to enclose the draft I have prepared, and which meets with Mr. Bond's concurrence. I shall be in Washington on the 25th, and I shall do myself the honour of calling at the State Department on the subject as soon as possible after my return.

I remain, &c.,

JULIAN PAUNCEFOTE.

No. 24.

Foreign Office to Colonial Office.

FOREIGN OFFICE, November 13th, 1890.

SIR,—with reference to my letter of the 4th instant, (No. 19), I am directed by the Marquis of Salisbury to transmit herewith a paraphrase of a Telegram from Sir J. Pauncefote, from which it appears that Mr. Blaine is anxious that Mr. Bond should return at once to Washington, in order to supply statistical information in connection with the proposed arrangement between the United States and Newfoundland.

I am, &c.,

P. W. CURRIE.

The Under Secretary of State,
Colonial Office.

(Enclosure in No. 24.)

Paraphrase of Telegram from Sir J. Pauncefote to Lord Salisbury.

WASHINGTON, November 12th, 1890.

I have been urged by Mr. Blaine to ask Mr. Bond, the Colonial Secretary, to return at once to Washington to furnish certain explanations and statistical information which are necessary in connection with the reciprocity arrangement proposed between the United States and Newfoundland. He considers that this step would be advantageous.

I informed him that I would submit his request to your Lordship and let him know your opinion as soon as I was able to do so.

No. 25.

*Lord Knutsford to Sir Terence O'Brien.**Telegraphic.*

November 14th, 1890. Blaine urges that Colonial Secretary should return at once to Washington to furnish information as to statistics and certain explanations which are necessary in connection with proposed Reciprocity Treaty. He considers that it would be advantageous to go immediately.

No. 26.

Sir Terence O'Brien to Lord Knutsford.

Received November 14, 1890.

Telegraphic.

Colonial Secretary will leave by first opportunity, not later than end of next week. Her Majesty's Minister has been informed.

No. 27.

*Lord Knutsford to Lord Stanley of Preston.**Telegraphic.*

(Extract.)

November 15th, 1890. Referring to my Telegram of the 4th instant (No. 20), following is substance of draft proposed convention between Newfoundland and United States:—

Article I. United States vessels to have privilege of purchasing bait in Newfoundland, same conditions as Newfoundland vessels, and to be allowed to touch and trade, sell their fish and oil, and procure supplies, paying same dues as Newfoundland vessels and conforming to harbour regulations.

Art. II. Facilities shall be given for recovery in United States Courts of penalties incurred under bonds by United States citizens.

Art. III. United States to admit duty free Newfoundland codfish, cod oil, seal oil, herrings, salmon, lobsters, &c., and crude produce of mines.

Art. IV. Convention to continue for ten years, and thereafter from year to year, subject to a year's notice. Convention ends.

No. 28.

Lord Stanley of Preston to Lord Knutsford.

Received November 19th, 1890.

Telegraphic.

(Extract.)

Have received your Telegram of 15th instant (No. 27). My Government view with the utmost alarm proposed convention between Newfoundland and the United States.

It affects fisheries interests of Canada as well as those of Newfoundland, and places fisheries and other products of Canada on a different footing from those of Newfoundland in United States markets.

Sanction of Newfoundland treaty by Her Majesty's Government would materially aid United States policy by placing Canada at disadvantage with neighbouring Colony of Newfoundland and producing discontent here.

Dominion Government respectfully remonstrate in strongest terms against signature of proposed convention at Washington. I will telegraph text of Council Minute when received.

No. 29.

Lord Knutsford to Lord Stanley of Preston.

Telegraphic.

(Extract.)

25th November, 1890. Your Telegram of 19th (No. 28) received. Her Majesty's Government greatly regret your Government should apprehend proposed separate arrangement between Newfoundland and United States will injure Canada, and would wish to have a full statement showing how it is apprehended that injury would, under the conditions of the case, result. Her Majesty's Government will delay Newfoundland convention so that both may proceed *pari passu*.

No. 30.

Sir Terence O'Brien to Lord Knutsford.

Received November 29th, 1890.

Telegraphic.

According to Telegram from Bond, British Minister at Washington unauthorized to affix signature to convention. My Government strongly request, as of great importance, necessary authority to be transmitted by telegram without delay. Anxious for reply to this Telegram; of greatest importance.

No. 31.

Sir Terence O'Brien to Lord Knutsford.

Received December 5th, 1890.

GOVERNMENT HOUSE,
ST. JOHN'S, NEWFOUNDLAND, November 21st, 1890.

MY LORD,—I have the honour to report that, in compliance with your telegraphic instructions (No. 25), my Colonial Secretary, the Hon. R. Bond, left to-day for Washington by the mail steamer which brought Sir W. V. Whiteway and the Hon. A. Harvey back to the colony.

I have, &c.,

T. O'BRIEN, Lieut.-Col.,
Governor.The Right Hon. Lord Knutsford, G.C.M.G.,
&c., &c., &c.

No. 32.

Sir Terence O'Brien to Lord Knutsford.

Received December 9th, 1890.

Telegraphic.

Bond sends telegram from Washington that no authority has been received by British Ambassador to sign arrangement between United States of America and Newfoundland. My Ministers make urgent representations that proper authority may be given by telegram without delay. Great inconvenience caused by Bond's absence.

No. 33.

*Lord Knutsford to Sir Terence O'Brien.**Telegraphic.*

10th December, 1890. Referring to your telegrams of the 29th November and 8th instant (Nos. 30 and 32), Her Majesty's Government are not at present able to authorize Sir J. Pouncefote to conclude the draft convention with the United States. They have never contemplated immediate action in this matter, as it is necessary to consider carefully how any convention may affect the fishery and other interests of the people of Canada.

No. 34.

Sir Terence O'Brien to Lord Knutsford.

Received December 12th, 1890.

Telegraphic.

12th December. Referring to your Lordship's telegram of the 10th instant (No. 33), my Ministers have unanimously passed the following Minute of Council: "On the 8th July the Newfoundland delegates proposed to Lord Knutsford that Newfoundland should be authorized to negotiate a convention with the United States of America, and it was distinctly stated that the interests of Newfoundland were not identical with those of Canada. Her Majesty's Government assented to this proposal on the 8th September, and with their approbation Mr. Bond left London for Washington. Having returned to Newfoundland he was directed by the Secretary

of State for the Colonies to proceed again to Washington, and then, for the first time, difficulties are raised, presumably by or on behalf of Canada, whose relations with the United States are not amicable. We decline being involved in Canadian disputes, and believe that Her Majesty's Government will not cause this colony to be so hampered, and thus add to the trading disabilities under which she suffers. We are surprised at this hostile action of Her Majesty's Government, which is calculated to defeat us in our struggle to open new markets, in the hope of securing thereby some relief from existing difficulties. We repudiate the interference of Canada, and our interests being made subservient to hers.

"We pray that Her Majesty's Government will reconsider the decision conveyed in Lord Knutsford's telegram of the 10th instant, and authorize the Minister at Washington to sign such convention as Mr. Bond concurs in for the advantage of this colony, disregarding the outside influences."

No. 35.

Lord Knutsford to Sir Terence O'Brien.

Telegraphic.

18th December, 1890. Referring to your telegram of the 12th instant (No. 34), you should remind your Ministers that, although Newfoundland may not desire to be concerned in Canadian questions, it is the duty of Her Majesty's Government, as I pointed out in my telegram of the 10th instant (No. 33), to consider what would be the effect upon other British interests of any proposals made exclusively in interests of Newfoundland. In the present case there would appear to be comparatively little inconvenience in such full consideration of the draft convention, as it must be some months before, on the reopening of the fisheries, it could come into practical operation.

No. 36.

Foreign Office to Colonial Office.

FOREIGN OFFICE, December 18th, 1890.

SIR,—I am directed by the Marquis of Salisbury to transmit, for Secretary Lord Knutsford's information, a paraphrase of a telegram from Her Majesty's Minister at Washington, reporting that Mr. Bond has been informed by the United States Secretary of State that he is prepared to accept a modification of the proposed arrangement for the improvement of commercial relations between the United States and Newfoundland.

Sir J. Pauncefote also states that Mr. Bond has left Washington on his return to the colony.

I am, &c.,
T. H. SANDERSON.

The Under Secretary of State, Colonial Office.

[Enclosure in No. 36.]

Paraphrase of Telegram from Sir J. Pauncefote of December 17th, 1890.

I have been informed by Mr. Blaine that he does not wish to detain Mr. Bond any longer with regard to the Newfoundland negotiations, but that he would like to have another interview with him before he leaves.

Mr. Bond, having called on him by appointment, tells me that Mr. Blaine is willing to accept a modified arrangement which would be very satisfactory to Newfoundland.

He left Washington for the Colony last night.

The substance of any communication which may be made to me by Mr. Blaine shall be telegraphed to your Lordship.

No. 37.

Sir Terence O'Brien to Lord Knutsford.

Received December 22nd, 1890.

Telegraphic.

In reply to your telegram of the 18th December (No. 35), my Ministers, notwithstanding my strong representations, have unanimously passed the following Minute of Council:—

"We refer to our telegram of the 12th December (No. 34) as an answer to the Secretary of State for the Colonies message of the 18th instant (No. 35), that Newfoundland is not concerned in Canadian questions, and it is unjust that Her Majesty's Government should lend its aid to involve this Colony in the embittered controversies existing between Canada and the United States. Indirectly, Newfoundland has already suffered. Her Majesty's Government concurred in our separate negotiations, and we now appeal for the fulfilment of its undertaking. We emphatically protest against our arrangement being imperilled by the introduction of questions connected with Canada. Her Majesty's Government are in error as to the time when the arrangement with the United States would come into practical operation. The present is the season for exporting the products of this Colony, and the only season for exporting frozen herrings. Every day's delay in signing the arrangement is a loss to the Colony."

No. 38.

Lord Stanley of Preston to Lord Knutsford.

Received 29th December, 1890.

GOVERNMENT HOUSE, OTTAWA, December 13th, 1890.

MY LORD,—I have the honour to transmit to your Lordship a copy of an approved Minute of the Privy Council on the subject of the recent negotiations between a Delegate from the Government of Newfoundland and the Administration of the United States for a convention relating to the fisheries and commerce of those two countries.

This Minute of Council is substituted for the one referred to in my telegram to you of the 18th November (No. 28).

I have, &c.,

STANLEY OF PRESTON.

The Right Hon. Lord KNUTSFORD,
&c., &c., &c.

[Enclosure in No. 38.]

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor-General in Council on the 12th December, 1890.

The Committee of the Privy Council have had under consideration a Report herewith attached, dated the 9th December, 1890, from the Sub-Committee of Council, to whom was referred a letter from the High Commissioner for Canada, dated the 31st October, 1890, on the subject of the recent negotiations between a delegate from the Government of Newfoundland and the Administration of the United States, for a convention relating to the fisheries and commerce between the Colony of Newfoundland and the United States.

The Committee, concurring in the Report, recommend the same for Your Excellency's approval.

JOHN J. McGEE, Clerk Privy Council.

REPORT.

(Extract.)

To His Excellency the Governor-General in Council.

The undersigned have had referred to them a letter from the High Commissioner for Canada, dated the 31st October, 1890, on the subject of the recent negotiations between a delegate from the Government of Newfoundland and the Administration of the United States for a convention relating to the fisheries and commerce between the Colony of Newfoundland and the United States.

The High Commissioner had been informed by telegram from your Excellency's First Minister, that the Honourable Mr. Bond, a member of the Newfoundland Government, was at Washington, and seemed to have announced that he had authority from the Imperial Government to make a separate fishery treaty for his Government, and the High Commissioner was asked to ascertain the truth and enter protest. He was referred to the New York and Boston papers, which contained the information referred to.

The High Commissioner wrote to Sir Robert Herbert on the 22nd of October, intimating that he had received such a telegram from the Premier of Canada, and on the 23rd October, Mr. Bramston addressed the High Commissioner, in reply, as follows :—

"I am directed by Lord Knutsford to acquaint you that a telegram, dated the 6th instant, has been received from Her Majesty's Minister at Washington by the Secretary of State for Foreign Affairs, of which the following is the purport :

" 'With reference to your despatch of the 10th ultimo, introducing Mr. Bond, I have presented that gentleman to Mr. Secretary Blaine, and negotiations are now going on with a view to an independent arrangement between the United States and Newfoundland relating to the fisheries. Before negotiations go further, I would suggest that the Government of Canada might be informed of them, as they might wish to negotiate on the same lines as regards New Brunswick and Nova Scotia.' "

The High Commissioner, in a letter to the Right Honourable Lord Knutsford, Her Majesty's Principal Secretary of State for the Colonies, dated the 27th October, set forth the telegram he had received from the First Minister of Canada and the letter from Mr. Bramston, and followed with certain observations, thus :—

"I believe I am right in saying that, in reference to the question of the Atlantic and North American fisheries, Her Majesty's Government has hitherto invariably recognized the importance of obtaining unity of action, as far as was possible, on the part of all the colonies interested. In the treaty of reciprocity with the United States, in 1854, the consent of Newfoundland, as well as the various Provinces of Canada, was made necessary to its going into operation, and the same course was followed, subsequent to Confederation, in reference to the Treaties of 1871 and 1888.

"I learn with deep regret that this obviously sound policy has not only been departed from, but that while Newfoundland has on previous occasions been fully advised as to the negotiations that were to be undertaken, Her Majesty's Government have, without any intimation to Canada of what was proposed, authorized, so long ago as the 10th September, Newfoundland to open negotiations for a separate treaty with the United States, and that the first communication to Canada is a suggestion from Sir J. Pouncefote not to include Canada in the proposed arrangement, but that the Government of Canada might be informed of them, as they might wish to negotiate on the same lines as regards New Brunswick and Nova Scotia, *i. e.*, for a treaty independent of the other Provinces of Canada.

"I should fail in my duty to the Crown as well as to Canada if I did not promptly assure your Lordship that I feel confident the difficulties of the vexed question of the British North American fisheries will be greatly increased by the wide departure that is now proposed from the long-established policy that has hitherto prevailed upon this very important question."

The High Commissioner having communicated to the First Minister the despatch from Mr. Bramston of the 23rd October above set forth, a telegram was sent to him by the First Minister as follows :—

"Can scarcely believe Newfoundland has received authority from Imperial Government to make separate arrangements respecting fisheries. The relations of all the North American Provinces to the United States and to the Empire would be affected. We are not informed of powers given to Bond, and desire communication of them. Please represent strongly how the fishery and commercial interests of Canada will be injured by such an arrangement as Bond is currently reported as making, and how disastrous, from a national point of view, it would be for a separate Colony to effect an arrangement with the United States more favourable than would be given to the Confederate Provinces. Our difficulties under the new American Tariff are sufficiently great now."

Your Excellency was, on the same day, moved to request from Lord Knutsford communication of the authority possessed by Mr. Bond, and likewise to urge that no arrangement be concluded until your Government should be informed of the nature thereof, and unless Canada should be given an opportunity to be included therein if she should so desire.

It appears also that the High Commissioner waited on Lord Knutsford personally, and expressed at large the views which are indicated in his letter of the 27th October.

About the 15th November last, it transpired that a draft convention between Newfoundland and the United States of America had been prepared in the following terms:—

"ARTICLE I.

"United States vessels to have privilege of purchasing bait in Newfoundland on the same conditions as Newfoundland vessels, and to be allowed to touch and trade, sell their fish and oil, and procure supplies, paying same dues as Newfoundland vessels, and conforming to the harbour regulations.

"ARTICLE II.

"Facilities shall be given for recovering in United States Courts of the penalties incurred under bonds by United States citizens.

"ARTICLE III.

"United States admit, duty free, Newfoundland codfish, cod oil, seal, and herrings, salmon, lobsters, &c., and crude produce of mines.

"ARTICLE IV.

"Convention to continue for ten years and thereafter from year to year, subject to a year's notice."

It may be necessary at this stage to call the attention of your Excellency and of Her Majesty's Principal Secretary of State for the Colonies to sum up the grounds on which your Excellency's advisers feel bound to remonstrate against the separate arrangement being made between the United States and one of the British North American Provinces to the exclusion of the others, relating to the fisheries and commerce.

From the earliest period in the history of the North American Fishery question down to the opening of the negotiations with Mr. Bond, Her Majesty's Government has invariably recognized the fact that the interests of all her possessions in British North America with regard to the fisheries were bound up together, and could only be properly dealt with on a basis common to all.

This view has prevailed at every step in the diplomacy and in administration, the two great points on which the Atlantic Fishery question has always turned being the competition in fishing between British subjects and foreigners, and the question of access to the markets of the United States for sale of the fish caught by British subjects.

In early times the negotiations which took place between Great Britain and foreign countries concerning the fisheries had chiefly in view the bank fisheries off

the coast of Newfoundland, the prosecution of which was immensely facilitated by the obtaining of supplies and outfits in the Island of Newfoundland and on the coast of some of the provinces now forming part of Canada. These fisheries, with that adjunct, were regarded as the principal object to be secured and established in any arrangement made by Great Britain and the great object aimed at by the United States and France.

By the treaty of 1778 between France and the United States (Article X) provision for the fishery rights on the banks of Newfoundland were stipulated for by France and guaranteed by the United States.

The United States took care to stipulate for the enjoyment of these fisheries by the treaty of 1783.

It was to establish the successful prosecution of these fisheries by her people that France incurred such enormous expenditures in fortifying Louisburg and in retaining possessions in North America, and that the New England Colonies, by two successive expeditions, accomplished the capture of Louisburg, and thereby achieved a success which was described as having counterbalanced all the disasters which had fallen upon the British arms in Europe.

It was with the same view that Lord North in 1775 introduced his Bill to prevent the inhabitants of the New England States from fishing on the banks, although it has now long since been conceded that these fisheries themselves are open to all nations.

The III Article of the Treaty of Paris (1783) dealt in a single paragraph with "*such part of the coast of Newfoundland as British fishermen use, and also the coasts, bays, and creeks of all His Britannic Majesty's dominions in America.*"

When the treaty of Ghent was being negotiated, in 1814, the bank fisheries were being extensively prosecuted by both American and Colonial fishermen. The Americans, however, adopted the policy, which they will doubtless presently revive (if such a convention as that proposed be adopted), of granting a bounty to aid their own fishermen and establishing customs duties against all others.

From 1815 to 1818 the bounty paid in the United States to fishermen rose from 1,811 dollars to 149,000 dollars, and after the convention of 1818 it continued to rise, until, in 1838, it was upwards of 314,000 dollars.

On the 17th June, 1815, Lord Bathurst conveyed to Vice-Admiral Sir Richard G. Keats the command of His Royal Highness the Prince Regent, that while he was to abstain from interfering with the fisheries in which the subjects of the United States might be engaged, either on the grand banks, the Gulf of St. Lawrence, or other places in the sea, he should "exclude their fishing-vessels *from the bays, harbours, creeks, and inlets of His Majesty's possessions.*" His Lordship, in writing to the Governor of Newfoundland, said, "The subjects of the United States can have no pretence to any right to fish within British jurisdiction, or to *use the British territory for purposes connected with the fisheries.*"

When the treaty of 1818 was made, although a special privilege was given to United States fishermen of fishing on certain parts of the coast of Newfoundland, of the Magdalen Islands, and of Labrador, in all other respects the fishermen of all the British Provinces received the same protection, and its provisions were made in the interests of all alike, especially those by which United States fishing-vessels were prohibited from entering the bays and harbours of British North America to obtain facilities in the prosecution of the fisheries.

The Imperial Statute of 1819, which was passed to make this treaty effective (59 Geo. III, cap. 38), as well as all the Acts passed for the same purpose in the British North American Provinces, followed the same principle, and were uniform as to their substance and spirit.

The treaty of Reciprocity of the 5th June, 1854, made provisions as to the fisheries and commerce which were common to all the Provinces. The rights which it gave to United States fishermen were rights in all the fisheries of British North America, and the commercial concessions made by the United States were made in favour of all the British North American Provinces which were willing to accept them.

In the Washington treaty of 1871, although Canada was represented among Her Majesty's Plenipotentiaries and Newfoundland not represented, there was an express provision, by Article XXXII, that the treaty provisions relating to the fisheries and commerce which applied to Canada and Prince Edward Island, should extend to the Colony of Newfoundland, so far as applicable.

The Washington treaty of 1888 included Canada and Newfoundland under one provision, although, as before, Her Majesty's Commission to her Plenipotentiaries did not include a Representative from the Colony of Newfoundland, but included a Representative from Canada.

The *modus vivendi* attached to the treaty was common to both Canada and Newfoundland, and, until the fishing season of 1890, was kept in force by both countries; the licences issued to American fishermen by Canada being recognized in Newfoundland, and those issued in Newfoundland being recognized in Canada.

On at least two occasions there were strong expressions from Her Majesty's Government to indicate that any policy not common to all the British North American Provinces would not receive the approval of that Government.

The first of these instances occurred in 1868. A Committee of the House of Representatives at Washington was appointed in that year, "to inquire and report at the next session of Congress the fullest and most reliable information they could obtain in regard to the Colony of Prince Edward Island, including particularly whatever could be ascertained as to the kind and amount of imports and exports to and from the island, and the views and disposition, as well as authority, of the Colonial Government, to enter into any particular or exceptional arrangement or agreement, by legislative enactment, with the United States, conceding and securing such privileges as to fisheries on the coast as were contemplated" in a Resolution which had been referred to the Committee of Ways and Means for their Report, which Resolution looked in the direction of free trade between Prince Edward Island and the United States as a Return for fishing under a nominal licence fee, on the coast of the island, and for the right of American fishing vessels to enter for shelter, or to obtain supplies and to refit free of duty or impost.

The Committee of the House of Representatives proceeded to Prince Edward Island in the summer of 1868, and had a conference with the Executive Council of that Province on the subject of the Resolution. Certain propositions were made by the Congressional Committee, and were favoured by the Executive Council with slight modifications. The Executive Council made a favourable Report on the subject of the Conference, expressing hope that Her Majesty's Government would feel favourable to the propositions, although they related to Prince Edward Island only.

The Lieutenant-Governor, on the 27th August, 1868, communicated to the Duke of Buckingham and Chandos the Memorandum of his Council, and informed his Grace at the same time that he had "thought it right to express clearly, in writing to his Council, that a Colonial Government had no authority whatever to enter into any particular or exceptional arrangement or agreement with a foreign Power."

On the 30th September, 1868, the Duke of Buckingham and Chandos acknowledged the receipt of the Despatch from the Lieutenant-Governor which inclosed the Memorandum sent to him by his advisers, and stated that Her Majesty's Government entirely approved of the answer which the Lieutenant-Governor had made to his Council. Here the matter ended.

Another instance occurred in July, 1887, when the American Minister at the Court of St. James communicated to Sir Ambrose Shea that, "should the Government of Newfoundland see fit to give notice that American fishermen be admitted to the ports of that Province for the purpose of obtaining supplies, the proposal would be cordially accepted and acted on by the Government of the United States. Her Majesty's Principal Secretary of State for the Colonies informed the Officer Administering the Government of Newfoundland, that no separate action should be attempted by the Newfoundland Government, in the direction suggested, without full previous communication with Her Majesty's Government."

These Documents were transmitted to your Excellency's predecessor. In the end, the attempt to negotiate a separate arrangement between the United States and Newfoundland was abandoned, and negotiations were opened with Her Majesty's Government on behalf of Newfoundland and Canada. This resulted in the Washington treaty of 1888, which was only defeated by want of concurrence on the part of the Senate of the United States. Since that time, the Governments of Newfoundland and Canada have acted in concert.

The Government of Newfoundland has repeatedly recognized the force of the view here contended for.

In an address to Her Majesty's Principal Secretary of State for the Colonies from the Legislative Council and House of Assembly in Newfoundland, dated the 18th May, 1886, after referring to the fact that the British fishermen engaged in the prosecution of the cod fisheries had great advantages over American fishermen under the convention of 1818, and after stating further that the United States had abrogated the treaty of Washington and renewed the impost on fishery products of British Colonies, the following expression, which may now be aptly applied to the prospects of the Canadian fishermen if a separate arrangement should be made for Newfoundland, was used :—

"If we supinely assent to this course, we shall provide these (our rivals) with the means of shutting us entirely out of the United States markets."

In a despatch dated the 14th January, 1887, from Governor Sir G. Des Vœux to Mr. Stanhope, the former well described the position in which Newfoundland fishermen would be placed if obliged to furnish bait to foreign fishermen who would be in competition with them in the markets of the foreign country, while these markets were practically closed to the products of British fisheries. He says: "It is evident that Newfoundland is thus furnishing the means of its own destruction."

Further on, in the same Despatch, the writer states: "I have very good reasons for believing that, as regards the United States, the right of obtaining bait would be restored on the opening of the American markets to Newfoundland fish, or (if common cause be made with Canada) to all British fish."

Referring in a subsequent passage to the Canadian Statute passed in 1887 for the enforcement of the treaty of 1818 by the exclusion of American fishing vessels, except for the purposes for which they were allowed to enter, under the convention of 1818, his Excellency said: "I may mention, as probably having escaped notice, that this object will, to a large extent, fail to be secured if a similar measure in this Colony should not be enforced, as it is not impossible that the Americans could afford to disregard the prohibition of bait supply on the Canadian coast if they were assured of being able to procure the bait they require on the coast of Newfoundland. The interests of Canada and of this Colony being thus to this extent identical, it is not difficult to foresee that any further delay in the allowance of the bill would give rise to the strongest pressure on the part of the Canadian Government."

In a letter from Sir Robert Thorburn, Premier of Newfoundland, to Her Majesty's Principal Secretary of State for the Colonies, dated 27th April, 1887, on the subject of the Newfoundland Bait Act and of the remonstrance of Canada against the same, which has been put forward on a supposition that Canadian fishermen would be put in the position of foreign fishermen by that Act, in being obliged to pay for licences, Sir Robert Thorburn said that the inference drawn by Sir G. W. Des Vœux in his Despatch relative to the Bait Bill, that Canada would suffer from its disallowance, inasmuch as American and other foreign fishermen would continue to procure their bait supplies in Newfoundland waters, particularly if excluded from this privilege in Canadian waters, seemed a perfectly clear conclusion, and served practically to illustrate the desirability of British fishermen retaining the undivided control of so important an element as the bait supply, giving them vantage ground over their bounty-sustained rivals.

When the Arbitration took place at Halifax to settle the compensation to be paid by the United States under the treaty of Washington, the British case was

presented by an agent of Her Majesty's Government, in consultation with counsel from Newfoundland as well as from the Provinces of Canada.

The following is an extract from that case which will serve to indicate the value of the privileges which were supposed to be accorded to United States fishermen by the treaty of 1871, of procuring bait and of making Newfoundland the basis of operations, while the disadvantages to Newfoundland fishermen which are there set forth affect equally Canadian fishermen who pursue their vocation in the bank and deep sea fisheries:—

"Apart from the immense value to the United States fishermen of participation in Newfoundland inshore fisheries must be estimated the important privilege of procuring bait for the prosecution of the bank and deep sea fisheries, which are capable of unlimited expansion. With Newfoundland as a basis of operations, the right of procuring bait, refitting their vessels, drying and curing fish, procuring ice in abundance for the preservation of bait, liberty of transshipping their cargoes, &c., and almost continuous prosecution of the bank fisheries secured to them. By means of these advantages, United States fishermen have acquired, by the treaty of Washington, all the requisite facilities for increasing their fishing operations to such an extent as to enable them to supply the demand for fish food in the United States markets, and largely furnish the other fish markets of the world, and thereby exercise a competition which must inevitably prejudice Newfoundland exporters. . . .

"Not only are the United States fishermen almost entirely dependent on the bait supply from Newfoundland, now open to them, for the successful prosecution of the bank fisheries, but they are enabled, through the privileges conceded to them by the treaty of Washington, to largely increase the number of their trips, and thus considerably augment the profits of the enterprise."

Attention may now be called to the action of the United States Administration in the present year.

By the adoption of the tariff measure which is popularly known as the "McKinley Act," the customs duties of the United States are greatly increased on nearly all Canadian products (including fresh fish, unless caught in vessels or by nets owned by American citizens). While this measure is in force, and is avowed to be designed to teach Canadians that they cannot avail themselves of the markets of the United States while they continue their allegiance as British subjects, a separate arrangement with Newfoundland would practically dissolve the protection given by the treaty of 1818, by enabling American fishing-vessels to have access to the ports of Newfoundland as a base of supplies and for the purpose of transshipping their cargoes. The protection afforded by that treaty for upwards of seventy years would thus be taken away from Canadian fishermen and Newfoundland fishermen alike, but there would be special compensation to the fishermen of Newfoundland in the shape of removal of duties, while the Canadian fishermen would be made to pay enhanced duties under the new American tariff. While this would, perhaps, be the most effectual method of impressing on the minds of the Canadian people the lesson that they cannot be British subjects and enjoy American markets, Her Majesty's Government can hardly, on reflection, feel surprised that your Excellency's Government have not for a moment believed that Her Majesty's Ministers would co-operate with the authorities of the United States in inculcating such a lesson at the present time.

The subject has also to be viewed to some extent in connection with the question of the confederation of the Provinces. The union which was effected, in accordance with the strong desire of Her Majesty's Government, in 1867, has always been viewed with unfriendly feelings by a large portion of the people in the United States, who continue, with great reason, to regard it as a means of consolidating British power in North America. The Confederation Provinces, at great sacrifices, have striven to accomplish that object; they have made progress in the direction of its accomplishment, of which they feel some pride, but they are now threatened with being placed in a worse position, as regards some of the most important interests of their commerce, than the one colony in British North America which has remained outside of the Union.

The Administration of the United States has long been aware that the Government of Canada is willing to enlarge the trade relations between the two countries by a system of reciprocity. That intention has so often been announced, in offers from the Canadian Government, in proposals put forward by negotiations, in Customs legislation and in public declarations of responsible Ministers, that the authorities of the United States have from time to time resented what has been considered the importunity of Canada in this regard. Her representatives have often reproached Canada with being unable to maintain existence without reciprocity, and asserted that the livelihood of her people is dependent on Tariff concessions from the United States. Canada has been constantly accused, by public men in the United States, of adopting a severe policy in asserting her fishery rights in order to force negotiations for the extension of trade.

Her Majesty's Principal Secretary of State for the Colonies may, perhaps, with propriety, be reminded, on this occasion, that the complaint constantly put forward against Canada in the United States is, that Canada denies hospitality in her ports to American vessels, which is not denied to Canadian vessels in United States ports. When the treaty of 1818 was negotiated the abstention by American fishing-vessels from using British ports, except for shelter, repairs, wood, and water, was conceded by the United States negotiators in return for the right to fish in-shore on parts of the coasts of Newfoundland and Labrador, and on all the coasts of the Magdalen Islands. This privilege, so rarely accorded by the people of one country to the people of another, was boasted of by the American negotiators, after the treaty of 1818 was signed, as having secured to the United States the most valuable fisheries on the British American coast.

The people of the United States have made no proposal to relinquish that benefit, but they complain that the concession by which it was purchased should be enforced.

It seems necessary also to remind Her Majesty's Principal Secretary of State for the Colonies of the peculiar position in which British and Canadian fishing interests will be placed by such a convention as that proposed, in view of the Bait Act of Newfoundland. Under that Act and the regulations made by the Government of Newfoundland, under powers conferred on them by it, no fishing-vessel can enter the ports or harbours of Newfoundland to obtain bait without a licence, which can only be obtained under very onerous restrictions, which exact, among other things, a very heavy licence fee. His Lordship will remember that that Act was only allowed by Her Majesty's Government to go into operation after the most distinct written pledges given by members of the Newfoundland Government and by its Representatives that no licence fee would be exacted from Canadian fishermen. During the fishing season of last year that pledge was not observed, and the same fee which was charged to foreign vessels was exacted from Canadian fishermen. His Lordship will remember that the attention of Her Majesty's Government has already been drawn to this subject by Minute of Council of your Government; and that, on a subsequent occasion, in the month of August last, the High Commissioner for Canada and the Minister of Justice had an interview with his Lordship, in the presence of two delegates from the Newfoundland Government, in which, on behalf of Canada, this whole subject was presented again, and in the course of which his Lordship was good enough to urge upon the delegates from Newfoundland that their Government should keep faith, when that faith had been so distinctly pledged. The delegates from the Newfoundland Government present at that time professed ignorance of the pledges which had been given until they had communication of them in London; but they assured his Lordship that the attention of their Government would be given to the matter immediately, with a view and desire to carry out the promises which had been made. The fulfilment of this renewed promise and the exemption of Canadian fishermen from the provisions of the Bait Act would not lessen any of the objections which have been stated in this report; but it seems necessary to remind Her Majesty's Principal Secretary of State for the Colonies that if this promise should still go unfulfilled, and the draft convention be adopted, the singular case would be

presented of one colony of the empire admitting foreign vessels to privileges in her ports and excluding the vessels of the neighbouring colonies as well as of the mother country from the like privileges.

Respectfully submitted,

JNO. S. D. THOMPSON,

Minister of Justice.

CHARLES H. TUPPER,

Minister of Marine and Fisheries.

OTTAWA, 9th December, 1890.

No. 39.

Sir Terence O'Brien to Lord Knutsford.

Received 29th December, 1890.

Telegraphic.

The Colonial Secretary has returned from Washington, and has brought with him a copy of the convention which has been arranged with the United States. My Ministers approve of this convention, which has been referred to in the former telegrams which have passed on this subject; and they assume that there is now no obstacle to its immediate signature, thus carrying out the undertaking of Her Majesty's Government that this colony might enter into a separate arrangement with the United States.

Delay in concluding the convention is seriously prejudicial to the trade relations between this colony and the United States, and public opinion is strongly agitated upon the subject.

Ministers therefore pray that immediate instructions be given to Her Majesty's Minister at Washington to sign the convention, and they anxiously await a speedy reply.

No. 40.

Lord Knutsford to Sir Terence O'Brien.

Telegraphic.

(Extract.)

1st January, 1891.

Received your telegram of 29th December (No. 39). Information required by telegraph as to modifications of convention conceded to United States Government.

No. 41.

Sir Terence O'Brien to Lord Knutsford.

Received 3rd January, 1891.

Telegraphic.

(Extract.)

Referring to your telegram of 1st January (No. 40). Executive Council do not understand meaning of modifications, and they cannot suppose that Her Majesty's Government will intervene objections.

No. 42.

Foreign Office to Colonial Office.

FOREIGN OFFICE, 7th January, 1891.

SIR,—With reference to my letter of the 18th ultimo (No. 36), I am directed by the Marquis of Salisbury to transmit herewith, to be laid before Secretary Lord

Knutsford, a paraphrase of a telegram from Her Majesty's Minister at Washington, reporting the substance of a counter-draft which has been communicated to him by Mr. Blaine for an arrangement of trade and fishery questions between the United States and Newfoundland.

The Under Secretary of State,
Colonial Office.

I am, &c.,

T. V. LISTER.

[Enclosure in No. 42.]

Paraphrase of a Telegram from Sir J. Pauncefote.

WASHINGTON, 6th January, 1891.

With reference to my telegram of the 17th ultimo (enclosure in No. 36), on the subject of the negotiations with the United States Government in regard to Newfoundland, I have the honour to report to your Lordship that, at an interview which I had yesterday with the Secretary of State in consequence of an invitation from him, Mr. Blaine communicated to me a counter-draft, which, he stated, the United States Government would not be unwilling to accept, although they were not anxious for the arrangement.

Mr. Blaine's counter-draft is confined to the free admission of fish as against the free purchase of bait, and to insuring that the existing tariff on certain American imports shall remain in force, and that the benefit of any diminution shall be secured. Crude minerals are struck out of the list of articles named in the counter-draft.

I am sending home by to-day's mail a copy of the counter-draft and a report of my interview with Mr. Blaine.

No. 43.

Lord Knutsford to Sir Terence O'Brien.

Telegraphic.

13th January, 1891.

With reference to your telegram of 3rd January (No. 41), Mr. Blaine on 6th January communicated to Her Majesty's Minister at Washington a counter-draft of a convention between Newfoundland and the United States, which he said his Government would accept, though they were not anxious for the arrangement.

The draft is confined to the free admission of fish, with the exception of green codfish, in return for the free purchase of bait; and to securing that the existing Newfoundland duties and free list shall remain in force as to certain American imports; and that the United States shall have the benefit of any diminution of duties on such articles. Crude minerals have been struck out.

Her Majesty's Government will await the report on the arrangement and the copy counter-draft now on the way from Sir J. Pauncefote, before considering the question further.

No. 44.

Colonial Office to Foreign Office.

DOWNING STREET, 13th January, 1891.

SIR,—I am directed by Lord Knutsford to request that Sir J. Pauncefote may be desired by telegraph to send direct to Newfoundland, as soon as possible, a copy of the counter-draft, handed to him by Mr. Blaine.

I am, &c.,

The Under Secretary of State,
Foreign Office.

ROBERT G. W. HERBERT.

No. 45.

Foreign Office to Colonial Office.

FOREIGN OFFICE, 14th January, 1891.

SIR,—In reply to your letter of yesterday (No. 44), I am directed by the Marquis of Salisbury to state that, in compliance with Lord Knutsford's wishes, Her Majesty's Minister at Washington has been instructed by telegraph at once to communicate to the Government of Newfoundland a copy of the counter-draft convention handed to him by Mr. Blaine.

He has also been requested to furnish a copy of the same document to the Canadian Government.

I am, &c.,

T. H. SANDERSON.

The Under Secretary of State,
Colonial Office.

No. 46.

Sir Terence O'Brien to Lord Knutsford.

Received 17th January, 1891.

Telegraphic.

Referring to your telegram of the 13th January (No. 43). My Government request me to forward to your Lordship the following telegram:—My Ministers have received with profound regret the intimation of Her Majesty's Government that crude minerals have been struck out of the convention agreed to between the United States Government and Mr. Bond, and this great misfortune can only be attributed to the unaccountable delay on the part of Her Majesty's Government in signing the draft convention. Her Majesty's Government are in error in supposing that the counter-draft convention was communicated to Minister at Washington for the first time on the 6th January. The said counter-draft was communicated to British Minister by Mr. Blaine, through Mr. Bond, on the 16th December, and my Colonial Secretary was authorized by Mr. Blaine, and did inform British Minister, that Mr. Blaine was prepared to sign immediately. There was at first a special condition attached to minerals definition, but that condition was fulfilled, and an assurance was given by Mr. Blaine that he would agree to the insertion of the same. The delay that has occurred has afforded time for opposition to be aroused in Western States, and doubtless Mr. Blaine now finds himself compelled to strike out the definition. This means a very serious loss to the colony, and it is with deep regret that my Ministers must attribute it to the incomprehensible delay of Her Majesty's Government. My Government are fully aware of the interference of Canada in this matter, and they look upon same, as it has apparently met with the approval of Her Majesty's Government, as a menace to the independence of this colony. They again respectfully but firmly protest against the affairs of this colony being in any way subject to the approval or disapproval of the Canadian Government. They would repeat that Canadian interests are not similar to those of this colony, which was the reason given to Her Majesty's Government for separate negotiations by this colony and the grounds upon which Her Majesty's Government assented. My Government are aware that the United States Government are not anxious to enter into a reciprocity treaty with this colony, and Mr. Bond found it necessary to elicit the sympathy of the great commercial centres of New York and Boston before he succeeded in accomplishing the object of his mission. This lack of anxiety on the part of United States Government emphasizes the necessity for speedy action on the part of Her Majesty's Government if the desire of this colony is to be accomplished. The receipt of your Lordship's telegram has postponed a crisis in reference to this mat-

ter, and my Government would now respectfully but firmly urge upon Her Majesty's Government the necessity for speedy action. Further delay may mean the total withdrawal by the United States Government of the counter-draft, and a collapse of this business after its having been arranged to the satisfaction of this colony. Such a calamity will doubtless intensify the feeling caused by grievous injustice to which this colony has been so long subjected.

No. 47.

Sir J. Pauncefote to the Marquis of Salisbury.

WASHINGTON, 26th December, 1890.

MY LORD,—In my telegram of the 17th instant (enclosure in No. 36) I reported the departure from Washington of Mr. Bond, the Colonial Secretary of Newfoundland. The first interview with Mr. Blaine took place on the 29th ultimo. I was present, at the request of Mr. Blaine, and the conversation was confined to statistical information supplied by Mr. Bond.

On taking our leave Mr. Blaine said he would be glad to see us in a day or two, and would make an appointment for the purpose. But although I twice reminded him of his promise, we heard no more from him for a fortnight, after which time Mr. Bond became impatient, and, with his approval, I asked Mr. Blaine whether he thought it necessary to detain him any longer.

Mr. Blaine replied in the negative, but begged me to ask Mr. Bond to call on him at his house before his departure, and appointed Monday morning, the 15th. Mr. Blaine said nothing about my coming also, and I understood that the object of the visit was only to wish Mr. Bond good-bye.

Mr. Bond called on me on the 16th and informed me, somewhat to my surprise, that he had had several long interviews with Mr. Blaine, which had resulted in the remodelling of the draft convention originally prepared by me, and he handed me a copy of a new draft, which he said would be most acceptable to Newfoundland, and which Mr. Blaine was prepared to accept also.

He was not sure, however, whether the words interpolated in Article II of the draft, namely, "and crude copper ores the product of Newfoundland mines," would be allowed to stand, but he was to see some members of the Chamber of Commerce of Boston on his way home, and would communicate with me further by telegram on the subject. I told Mr. Bond that I would keep the draft for reference in case Mr. Blaine should make any proposal to me founded upon it, but that I could take no cognizance of anything that might have passed between him and Mr. Blaine by way of negotiation in my absence. This Mr. Bond readily admitted, but said he had no doubt that Mr. Blaine would communicate the draft to me as a counter-proposal. I replied that in that case all I could do would be to transmit Mr. Blaine's communication to your Lordship. Mr. Bond dwelt very much on the hardship that would be inflicted on the colony by any delay in accepting Mr. Blaine's proposal, and on the exasperation which would be produced there by the refusal of Her Majesty's Government to grant this measure of relief to the sorely-trying colonists.

I explained to him that I had no power to move further in the matter, and he left for Halifax, on his way back to Newfoundland, on the same evening.

On the 18th Mr. Bond telegraphed to me from Boston as follows: "Please insert copper clause in Article II."

Mr. Blaine mentioned incidentally a few days ago that he would be glad to have a talk with me by-and-bye about Newfoundland, but that is all I have heard from him up to this date on the subject.

I enclose a copy of the draft handed to me by Mr. Bond, and which he stated had been virtually agreed to between Mr. Blaine and himself.

I have, &c.,

JULIAN PAUNCEFOTE.

The Marquis of Salisbury, K.G.,
&c., &c., &c.

[Enclosure in No. 47.]

DRAFT CONVENTION between Great Britain and the United States of America for the Improvement of Commercial Relations between the United States and Her Britannic Majesty's Colony of Newfoundland.—(Received at the Foreign Office through Sir J. Pouncefote, 7th January.)

The Governments of Great Britain and of the United States, desiring to improve the commercial relations between the United States and Her Britannic Majesty's Colony of Newfoundland, have appointed as their respective plenipotentiaries, and given them full powers to treat of and conclude such convention, that is to say :

Her Britannic Majesty on her part has appointed Sir Julian Pouncefote, and the President of the United States has appointed, on the part of the United States, James G. Blaine, Secretary of State.

And the said plenipotentiaries, after having exchanged their full powers, which were found to be in due and proper form, have agreed to and concluded the following Articles :—

ARTICLE I.

United States fishing vessels entering the waters of Newfoundland shall have the privilege of purchasing herring, caplin, squid and other bait fishes at all times, on the same terms and conditions, and subject to the same penalties, in all respects, as Newfoundland vessels.

They shall also have the privilege of touching and trading, selling fish and oil, and procuring supplies in Newfoundland, conforming to the harbour regulations, but without other charge than the payment of such light, harbour, and Customs dues as are or may be levied on Newfoundland fishing vessels.

ARTICLE II.

Dry codfish, cod oil, seal oil, sealskins, herrings, salmon, trout, and salmon trout, lobsters, cod roes, tongues, and sounds, the product of the fisheries of Newfoundland, and crude copper ores, the product of Newfoundland mines, shall be admitted into the United States free of duty. Also all packages in which the said fish may be exported shall be admitted free of duty. It is understood, however, that "green" codfish are not included in the provisions of this Article.

ARTICLE III.

The officer of Customs at the Newfoundland port where the vessel clears shall give to the master of the vessel a sworn certificate that the fish shipped were taken in the waters of Newfoundland, which certificate shall be countersigned by the Consul or Consular Agent of the United States.

ARTICLE IV.

When this convention shall come into operation, and during the continuance thereof, the duties to be levied and collected upon the following enumerated merchandise imported into the Colony of Newfoundland from the United States shall not exceed the following amounts, viz. :—

Flour, 25 cents per barrel.

Pork, \$1.50 per barrel of 200 lbs.

Bacon and hams, tongues, smoked beef, and sausages, $2\frac{1}{2}$ cents. per lb., or \$2.50 per 112 lbs.

Beef, pigs' heads, hocks, and feet, salted and cured, \$1 per barrel of 200 lbs.

Indian meal, 25 cents per barrel.

Peas, 30 cents per barrel.

Oatmeal, 30 cents per barrel of 200 lbs.

Bran, Indian corn, and rice, $12\frac{1}{2}$ per cent. *ad valorem*.

Salt, in bulk, 20 cents per ton of 2,240 lbs.

Kerosene oil, 6 cents per gallon.

And the following articles imported into the Colony of Newfoundland from the United States shall be admitted free of duty :—

Agricultural implements and machinery imported by Agricultural Societies for the promotion of agriculture.

Crushing mills for mining purposes.

Raw cotton.

Corn for the manufacture of brooms.

Gas engines, when protected by patent.

Ploughs and harrows.

Reaping, raking, ploughing, potato-digging, and seed-sowing machines to be used in the colony.

Printing presses and printing types.

ARTICLE V.

It is understood that if any reduction is made by the Colony of Newfoundland, at any time during the term of this convention, in the rates of duty upon the articles named in Article IV of this convention, the said reduction shall apply to the United States.

ARTICLE VI.

The present convention shall be duly ratified by Her Britannic Majesty and by the President of the United States of America, by and with the advice and consent of the Senate thereof, and the ratifications shall be exchanged at Washington on the 1st day of February, 1891, or as soon thereafter as practicable.

Its provisions shall go into effect thirty days after the exchange of ratifications, and shall continue and remain in full force for the term of five years from the date at which it may come into operation, and further, until the expiration of twelve months after either of the contracting parties shall give notice to the other of its wish to terminate the same, each of the Contracting Parties being at liberty to give such notice to the other at the end of the said term of five years, or at any time afterwards.

In faith whereof we, the respective Plenipotentiaries, have signed this convention, and have hereunto affixed our seals.

Done in duplicate at Washington, this _____ day of _____, in the year of our Lord 1890.

No. 48.

Sir Julian Pauncefote to the Marquis of Salisbury.

(Extract.)

WASHINGTON, 6th January, 1891.

MY LORD,—With reference to previous correspondence respecting trade relations between the United States and Newfoundland, and to my telegram of the 17th ultimo (enclosure in No. 36), reporting the departure from Washington of the Honourable R. Bond, the Colonial Secretary of Newfoundland, I have the honour to inform your Lordship that I was this day requested by the Secretary of State to call on him at the State Department to receive a communication from him on the subject.

At this interview Mr. Blaine said that after considering the information supplied to him by Mr. Bond, and the wishes of the Newfoundland Government which I had privately placed before him at his request last October in the form of a draft convention, he was unable to accept the proposed arrangement in its entirety, but that he had framed a counter-draft, of which he delivered a copy to me, showing to what extent, and on what conditions, his Government were disposed to go in the direction of commercial reciprocity with the colony.

I have the honour to enclose a copy of that document.

I informed Mr. Blaine, in reply, that I would transmit the draft and report the substance of his observations thereon to your Lordship by the first opportunity.

I have, &c.,

JULIAN PAUNCEFOTE.

The Marquis of Salisbury, K.G.,
&c., &c., &c.

[Enclosure in No. 48.]

CONVENTION between Great Britain and the United States of America for the Improvement of Commercial Relations between the United States and Her Britannic Majesty's Colony of Newfoundland.

The Governments of Great Britain and the United States, desiring to improve the commercial relations between the United States and Her Britannic Majesty's Colony of Newfoundland, have appointed as their respective Plenipotentiaries, and given them full powers to treat of and conclude such convention, that is to say:

Her Britannic Majesty on her part has appointed Sir Julian Pauncefote; and the President of the United States has appointed on the part of the United States James G. Blaine, Secretary of State.

And the said Plenipotentiaries, after having exchanged their full powers, which were found to be in due and proper form, have agreed to and concluded the following articles:—

ARTICLE I.

United States fishing vessels entering the waters of Newfoundland shall have the privilege of purchasing herring, caplin, squid, and other bait fishes, at all times on the same terms and conditions, and subject to the same penalties in all respects as Newfoundland vessels.

They shall also have the privilege of touching and trading, selling fish and oil, and procuring supplies in Newfoundland, conforming to the harbour regulations, but without other charge than the payment of such light, harbour, and Customs dues as are or may be levied on Newfoundland fishing vessels.

ARTICLE II.

Dry codfish, cod oil, seal oil, sealskins, herrings, salmon, trout and salmon trout, lobsters, cod roes, tongues, and sounds, the product of the fisheries of Newfoundland, shall be admitted into the United States free of duty. Also all hogsheads, barrels, kegs, boxes, or tin cans, in which the articles above named may be carried, shall be admitted free of duty. It is understood, however, that "green" codfish are not included in the provisions of this Article.

ARTICLE III.

The officer of the Customs at the Newfoundland port where a vessel laden with the articles named in Article II clears shall give to the master of said vessel a sworn certificate that the fish shipped were taken in the waters of Newfoundland; which certificate shall be countersigned by the Consul or Consular Agent of the United States, and delivered to the proper officer of Customs at the port of destination in the United States.

ARTICLE IV.

When this convention shall come into operation, and during the continuance thereof, the duties to be levied and collected upon the following enumerated merchandise imported into the Colony of Newfoundland from the United States shall not exceed the following amounts, viz.:—

Flour.....	25 cents per barrel.
Pork.....	1½ cents per lb.
Bacon and hams, tongues, smoked beef and sausage.....	2¼ cents per lb., or \$2.50 per 112 lbs.

Beef, pigs' heads, hocks, and feet, salted or cured	$\frac{1}{2}$ cent per lb.
Indian meal.....	25 cents per barrel.
Peas.....	30 cents per barrel.
Oatmeal.....	30 cents per barrel of 200 lbs.
Bran, Indian corn, and rice.....	$12\frac{1}{2}$ per cent. <i>ad</i> <i>valorem</i> .
Salt (in bulk).....	20 cents per ton of 2,240 lbs.
Kerosene oil.....	6 cents per gallon.

And the following articles imported into the Colony of Newfoundland from the United States shall be admitted free of duty:—

Agricultural implements and machinery imported by agricultural societies for the promotion of agriculture.
Crushing mills for mining purposes.
Raw cotton.
Corn for the manufacture of brooms.
Gas engines, when protected by patent.
Ploughs and harrows.
Reaping, raking, ploughing, potatoe-digging and seed-sowing machines to be used in the colony.
Printing presses and printing types.

ARTICLE V.

It is understood that if any reduction is made by the Colony of Newfoundland, at any time during the term of this convention, in the rates of duty upon the articles named in Article IV of this convention, the said reduction shall apply to the United States.

ARTICLE VI.

The present convention shall take effect as soon as the laws required to carry it into operation shall have been passed by the Congress of the United States on the one hand, and by the Imperial Parliament of Great Britain and the Provincial Legislature of Newfoundland on the other hand. Such assent having been given, the convention shall remain in force for five years from the date at which it may come into operation, and further, until the expiration of twelve months after either of the high contracting Parties shall give notice to the other of its wish to terminate the same; each of the high contracting parties being at liberty to give such notice to the other at the end of the said term of five years, or at any time afterwards.

ARTICLE VII.

This convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by Her Britannic Majesty; and the ratifications shall be exchanged at Washington on the 1st day of February, 1891, or as soon thereafter as practicable.

In faith whereof, we, the respective Plenipotentiaries, have signed this convention and have hereunto affixed our seals.

Done in duplicate, at Washington, this day of , in the year of our Lord one thousand eight hundred and

No. 49.

Lord Knutsford to Sir Terence O'Brien.

Telegraphic.

23rd January, 1891. I request that you will inform your Ministers confidentially that as, after rejection by France of all their proposals, they decline to concur

in arbitration, and refuse to legislate for *modus vivendi* while French rights are being ascertained, Her Majesty's Government feel compelled to maintain the position they have taken up, both as regards commencing negotiations with France for arbitration, and as to deferring the ratification of the draft convention with United States, until its effect on other British interests has been considered. But looking to depressed condition of the colony and the importance of opening up its resources, they are now prepared to accept in principle Imperial guarantee of a loan for railway construction, as asked by delegates. They desire further information as to direction, extent, and probable cost of lines, and the probable amount of loan required.

In order to satisfy Imperial Parliament, a previous inquiry by a competent person into the merits of the proposed railway would be necessary, and security afforded perhaps by the creation of an independent Commission that the loan will be expended to the best advantage of the colony.

No. 49 a.

Lord Knutsford to Lord Stanley of Preston.

Telegraphic.

23rd January, 1891. I have to inform you that Her Majesty's Government have given fullest consideration to the representations of Canada against the proposed Newfoundland convention. As Canadian negotiations with the United States could not, even in the absence of the further delay arising from the dissolution of the Dominion Parliament, be commenced before March, and may not be carried through this year, Newfoundland interests should not be indefinitely postponed.

No. 50.

Lord Knutsford to Sir Terence O'Brien.

Sent 4.50 p.m., 23rd January, 1891.

Telegraphic.

(Extract.)

I have received your telegram of the 17th instant (No. 46) respecting the delay in proceeding with the convention. Its tone is not justified. I have already explained that the effect of the convention on Canadian interests must be fully considered, and further examination has shown that the probable effect would be more serious than was at first supposed. The question, therefore, cannot be disposed of as speedily as Her Majesty's Government had originally anticipated and desired.

If Canada assents, the difficulty now standing in the way of the ratification of the convention with the United States would be speedily removed.

No. 51.

Lord Knutsford to Sir Terence O'Brien.

Telegraphic.

9th February. Her Majesty's Government are willing to act on my telegram of the 23rd January (No. 49), and as also pointed out in that message, it will be necessary, in order to justify their action to Parliament, to have a Commission sent out,—

1. To inquire into the agricultural, mining, and other resources of the colony, and the manner in which they may best be developed ;
2. To inquire into and report upon the general financial condition of the colony ;

3. To inquire into and report upon the present condition of the population resident on or near the parts of the coast on which the French have rights of fishery, and to ascertain in what particular respects the Treaty obligations of Great Britain and the colony may have operated to the prejudice of that population; and, further, to report by what remedies consistent with those obligations, and with the rights and interests of other portions of the Empire, it may be practicable to remove the disadvantages under which the inhabitants of the colony labour.

If your Government accepts this Commission, Her Majesty's Government will propose to Parliament the legislation already indicated.

It will be necessary at the same time to satisfy Parliament that proper measures are being taken for adjusting the controversy with France, and that the colony is co-operating with Her Majesty's Government for that purpose.

No. 52.

Lord Knutsford to Sir Terence O'Brien.

Telegraphic.

9th February, 1891. I regret to inform you that Her Majesty's Government are still unable to depart from the conclusion announced to you on the 10th December (No. 33), that the proposed convention cannot be concluded until it has been proved that it would not prejudice other British interests.

Your Ministers are aware that this consideration has always been held to be of vital importance, and that on all previous occasions the interests of Newfoundland have been advocated by Her Majesty's Government in conjunction with those of Canada. Her Majesty's Government are, therefore, not at present in a position to proceed with the proposed convention. I shall explain further by despatch some points which your Government does not appear correctly to appreciate.

No. 53.

Sir Terence O'Brien to Lord Knutsford.

Received February 10th, 1891, 4.15 p.m.

Telegraphic.

10th February. In reply to your Lordship's telegram of the 9th instant, (No. 52), Ministers earnestly desire to know what proofs are required, as they cannot understand where the convention with the United States is prejudicial to British interests.

They are not aware that Her Majesty's Government have, with advantage to Newfoundland, advocated her interests in conjunction with those of Canada, but they are aware that Newfoundland has in the past suffered from being connected with Canadian proposals.

Her Majesty's Government were informed, when the Delegates asked for separate negotiations and convention, that the interests of Newfoundland and Canada were not identical, and acquiesced with full knowledge. Since then every request which has been made has been assented to, and my Government cannot comprehend the withdrawal of Her Majesty's Government from a distinct and positive understanding.

Her Majesty's Government in making the interests of Newfoundland subservient to Canadian politics are ruining the future prospects of the Colony.

By delay the convention will be lost, and my Government request an answer, yes or no, that the fate of the Colony may be known and action taken accordingly.

No. 54.

*Lord Knutsford to Sir Terence O'Brien.**Telegraphic.*

11th February. I have received your telegram of 10th of February (No. 53). The meaning of my telegram of the 9th instant (No. 52) is that Her Majesty's Government have definitely decided not to proceed at this moment with the proposed convention between Newfoundland and the United States, although they do not refuse to consider whether such a convention may be practicable at a later date.

My Despatch giving explanations goes by to-morrow's mail, and it seems undesirable to discuss the matter further by telegraph. That Despatch will show that your Government are under an entire misapprehension as to any distinct understanding that the terms of the Convention should be confirmed. Her Majesty's Government have observed with much regret the language in which your Ministers have thought fit to address them in your telegram under reply.

I request that you will keep me fully informed as to the course which your Government propose to take.

No. 55.

Lord Knutsford to Sir Terence O'Brien.

DOWNING STREET, February 12th, 1891.

SIR,—In my telegram of the 9th instant (No. 52) I have informed you that Her Majesty's Government regret to find themselves still unable to sanction the conclusion of the proposed Convention between Newfoundland and the United States. This decision has not been arrived at without very full consideration of the wishes and arguments repeatedly pressed upon Her Majesty's Government by your advisers and yourself, nor without a strong endeavour to find some means of bringing the interests of Newfoundland into compatibility with other Imperial interests. Up to the present time, however, that has proved impracticable, and the Convention, as to the feasibility of which Mr. Bond was, in September last, permitted to consult informally with Her Majesty's Minister at Washington, cannot at the present time be concluded.

There would appear to be some misapprehension in Newfoundland as to the circumstances in which Mr. Bond's visit to Washington was sanctioned by Her Majesty's Government, and I think it desirable to state briefly the general conditions under which all negotiations for separate commercial arrangements between individual Colonies and foreign States are necessarily conducted, and the limitations within which it was consequently possible for the present negotiation on behalf of Newfoundland to proceed.

Her Majesty's Government have raised no objection in principle to a separate negotiation with a foreign Power on behalf of one Colony only. It may be in some cases possible so to define the limits of the proposed commercial arrangement as to procure what the particular Colony desires without prejudicing the interests of those other portions of the Empire which are not included in the arrangement. It will be within your recollection that this subject was discussed with much attention at the Colonial Conference held in London in 1887; and, although the balance of opinion in the Conference was against such separate arrangements, it was admitted that Her Majesty's Government could not, having regard to the precedents which had been established, refuse to consider the merits of a commercial arrangement desired by one Colony only, and the effect which it might have on other British and Colonial interests.

That course was taken when it was desired in 1886 to conclude a trade arrangement as between the British West Indian Colonies and the United States; and in that case, as in the present case of Newfoundland, it was after much examination found

that the Convention could not, in the form in which it would be acceptable to the United States and the Colonies, be negotiated consistently with Imperial obligations and policy.

It was therefore under such well-recognized conditions and reservations that Her Majesty's Government readily consented in September of last year to the informal and unofficial visit of Mr. Bond to Washington, for the purpose of communicating to Sir Julian Pauncefote the views and wishes of the Newfoundland Government.

The wish of the Newfoundland Government for a separate trade and fishery arrangement with the United States had been brought before Her Majesty's Government in February, 1890. They promised to consider the question with Sir W. Whiteway after his arrival in England, and after explanations had been received from him, a letter introducing Mr. Bond was addressed to Her Majesty's Minister at Washington on the 8th August, 1890, in which Sir Julian Pauncefote was informed that Mr. Bond had been commissioned by the Newfoundland Government to communicate to him their views and wishes with regard to the desired arrangement.

After conferring with Mr. Bond, Sir J. Pauncefote introduced him to Mr. Blaine, and also submitted informally to Mr. Blaine, at his request, the draft of a Convention which would meet the views of the Newfoundland Government.

The time had then arrived for considering how far that Convention might affect other interests than those of Newfoundland; and the Government of Canada, as being, of course, principally interested, was consulted. As you are aware, the Dominion Government at once pointed out the injury to Canadian interests which would result from the conclusion of a distinct arrangement, whereby the United States would secure an important advantage in consideration of which Canada as well as Newfoundland had on previous occasions obtained material concessions from the United States; and it also became apparent that the United States Government was not disposed to extend to Canada the same limited arrangement as it might be willing to adopt in the case of Newfoundland alone.

It was therefore determined to consider whether, *pari passu* with the Newfoundland negotiation, an arrangement for reciprocity on a broader basis between Canada and the United States could be negotiated; and until it has been more definitely ascertained whether this latter negotiation can now proceed, the Newfoundland Convention must remain in abeyance.

I greatly regret that your Ministers should have resented the action taken by Her Majesty's Government in guarding the interests of other portions of the Empire, while endeavouring to give effect to the wishes of Newfoundland; but I trust that I have made it clear to them that, while Her Majesty's Government are willing to assist a Colony in negotiating a separate Commercial Arrangement, they cannot conclude such an arrangement as long as it is not compatible with those other Imperial interests and obligations which it is their duty to regard.

I may, in conclusion, remind you that in the past, when Treaties have been negotiated with the United States on behalf of Canada, the interests and wishes of Newfoundland have always been borne in mind.

I have, &c.

KNUTSFORD.

SIR TERENCE O'BRIEN.

No. 56.

Lord Stanley of Preston to Lord Knutsford.

Received February 13th, 1891.

GOVERNMENT HOUSE, OTTAWA, January 31st, 1891.

MY LORD,—With reference to previous correspondence on the subject of the proposed convention between Great Britain and the United States for the improvement of the trade relations between the latter country and the Colony of Newfound-

land, I have the honour to enclose copy of an approved Minute of the Privy Council of Canada, containing an expression of the views of the Canadian Government in regard to the convention in question.

I have, &c.,

STANLEY OF PRESTON.

The Right Honourable the Lord Knutsford, G.C.M.G.,
&c. &c. &c. &c. &c.

[Enclosure in No. 56]

(Extract.)

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 29th January, 1891.

The Committee of the Privy Council have had under consideration a Despatch dated the 15th January, 1891, from Her Majesty's Minister at Washington, accompanied by the copy of a proposed convention between Great Britain and the United States for the improvement of commercial relations between the United States and the Colony of Newfoundland, and also the telegram from the Right Honourable the Secretary of State for the Colonies to your Excellency, dated the 23rd January instant. (No. 49A.)

The Sub-Committee of Council, to whom the despatch and enclosures were referred, report as follows:—

The reasons advanced in the Minute of Council, approved on the 12th December (No. 38), 1890, referring to the negotiations for a trade and fishery arrangement between the United States and Newfoundland, appear to your Excellency's Government to be fully as important and pressing now as they were at the date of that Minute, and to be as applicable to the present draft convention as to the draft which had then been under consideration.

While those reasons have doubtless been considered by Her Majesty's Government, they do not appear to have had attached to them the weight which, in the opinion of your Excellency's advisers, they are entitled to, for the despatch of Lord Knutsford, dated the 23rd January instant merely intimates the inconvenience of delay with regard to the convention proposed for Newfoundland, as though only delay had been asked, and as though objections in point of principle had not been advanced.

Her Majesty's Government will doubtless remember that when the protest of your Excellency's Government against the draft convention which was considered in December last was made known to the Principal Secretary of State for the Colonies, his Lordship intimated that if Canada were willing to commence negotiations at once, the Newfoundland convention would not be concluded immediately, but that negotiations on behalf of Canada could go on *pari passu* with those regarding Newfoundland.

Your Excellency's Government at once assented to the propriety of this course, and announced their willingness to commence negotiations at once, with the sanction of Her Majesty's Government, only expressing a preference for a formal and official conference under Commission, rather than a private and unofficial discussion.

No responsibility for delay rests on your Excellency's Government. Even the dissolution of Parliament, which has been referred to as possible, would not retard negotiations.

The sub-committee feel bound, therefore, to recommend that the Government of Canada insist on the importance of the negotiations concerning trade relations with Canada proceeding *pari passu* with those affecting Newfoundland.

The sub-committee observe that an examination of the proposed convention will show that while, as was stated in the Minute of Council approved in December last, the advantages afforded to the British North American fishermen under the treaty of 1818 would be reduced almost to a nullity, the fishery products of Newfoundland would be admitted to the markets of the United States under such a convention, on

such terms as to displace very largely the like products exported by the fishermen of Canada to that country.

That the Canadian Government has declared its policy to be that no commercial arrangements with a foreign country should be acceded to by Canada which would involve tariff discrimination against the mother country, and this principle has had the approval of Her Majesty's Government; but it will be difficult to induce the people of Canada to continue to believe in the importance of that principle as a safeguard to the interests of the Empire if Great Britain now makes a convention for Newfoundland under which the United States is able to discriminate directly against Canada.

The sub-committee are of opinion that your Excellency's Government should press the importance of permitting no discrimination, at least as against any part of British North America, to be made in any trade arrangement with the United States, and should continue to urge the necessity of insistence that in any such arrangement all Her Majesty's provinces in North America shall participate equally.

The Sub-Committee submit that it seems necessary further to invite close attention to the Vth Article of the draft convention. That Article seems fairly open to the construction that if the existing rates of duty in Newfoundland on the articles mentioned in Article IV shall be reduced as regards importations from other countries than the United States, the United States shall have a further reduction below that which the convention fixes as the maximum duties on United States goods of that description. If this is the construction intended the convention is open to the further objection that it stipulates for a continued preference in the markets of Newfoundland for United States products over those of every other country, involving therefore not only discrimination by the United States in favour of Newfoundland, but by Newfoundland in favour of the United States, and such discrimination would be against Canada and the mother country as well.

The Committee concur in the said report of the Sub-Committee, and request that Your Excellency be pleased to transmit this Minute, if approved, to the Right Honourable the Principal Secretary of State for the Colonies.

JOHN J. McGEE,
Clerk Privy Council.

No. 57.

Lord Knutsford to Sir Terence O'Brien.

Telegraphic.

(Extract.)

14th February, 1891. Telegrams in the press report repetition in Mr. Bond's resolution of incorrect statement that Her Majesty's Government had authorized conclusion of convention. You should present my despatch of the 12th February (No. 55) to both Houses as soon as received.

No. 58.

Sir Terence O'Brien to Lord Knutsford.

Received February 14th, 1891.

(*Telegraphic.*)

Having been requested by both Houses of Legislature to communicate to you by telegram resolution passed by them, I have no option but to do so:—

"Whereas the Legislature has been informed by His Excellency the Governor, in the speech with which his Excellency has been pleased to open the present session, that Her Majesty's Government has up this date declined to sign the con-

vention for reciprocal trade between this colony and the United States of America; and whereas the Legislature has been informed that on the 8th day of July, 1890, the delegates appointed by the Government of this colony to proceed to England to consult and advise with Her Majesty's Government in relation to the interests of this colony proposed to Her Majesty's Government that this Colony should be permitted to negotiate through Her Majesty's Representative at Washington a convention for reciprocal trade with the United States of America; and whereas the Legislature has been informed that after lengthy consideration of this proposal Her Majesty's Government did on the 8th day of September last intimate to the said delegates the acquiescence of Her Majesty's Government therein, and did consent to one of the said delegates proceeding to Washington to lay before Her Majesty's Plenipotentiary and Envoy Extraordinary the views of the Government of this colony upon this question, and to aid in said negotiations; and whereas the Legislature has been informed that on the 18th day of November last Her Majesty's Government advised the immediate return of the Colonial Secretary to Washington with a view to concluding the said negotiation; and whereas the Legislature has been informed that on the 16th day of December a convention satisfactory to the Government of this Colony, and in accordance with that proposed by the said Delegates to and accepted by Her Majesty's Government, was agreed to by the United States Secretary of State on behalf of his Government, and Her Majesty's Government has not assented to the ratification, although most strongly urged thereto by the Government of this Colony; and whereas it is deemed of paramount importance that the said convention should be ratified without delay:

"Be it resolved, that the consideration of His Excellency's Speech be deferred until there be an expression of opinion to be communicated to Her Majesty in relation thereto.

"Resolved, that the Legislature views with profound disappointment and alarm the failure of Her Majesty's Government to carry out its solemn obligations to this Colony. They are aware of the interference of Canada in relation to this matter, and they cannot fail to appreciate the same as a menace to the independence of the Colony; they emphatically protest against the interests of this Colony being made subservient to those of the Dominion of Canada, and they regard the delay that has occurred in the ratification of the said convention as entirely unjustifiable, and as evidencing an utter disregard for the prosperity and well-being of this Colony.

"Resolved, that the delay occasioned by Her Majesty's Government in ratifying the said convention is regarded by this Legislature as unfriendly and hostile, and as calculated to permanently disturb that loyalty for which this Colony has in the past been remarkable.

"Resolved, that the Legislature most strongly urges Her Majesty's Government to immediately fulfil its pledge to this Colony by ratifying the said convention."

No. 59.

Lord Knutsford to Sir Terence O'Brien.

Telegraphic.

17th February, 1891. My despatch of the 12th February (No. 55) contains answer to resolution of both Houses of Legislature, but does not refer to return of Mr. Bond to Washington, which is incorrectly referred to in resolution.

Mr. Bond was not invited to return with a view to concluding the negotiation as stated in resolution, but to furnish information as to certain statistics and explanations.

Present this telegram with the despatch.

No. 60.

*Lord Knutsford to Sir Terence O'Brien.**Telegraphic.*

21st February, 1891. Referring to my telegram of the 17th February (No. 59), in further reply to resolutions of Houses of Legislature, I have to observe that it was very unusual course for member of Colonial Government to propose to Legislature resolutions condemning in strong terms proceedings of Her Majesty's Government with regard to convention, without placing before it full information as to the reasons which had induced Her Majesty's Government to take steps objected to. Communicate this to Ministers with reference to my despatch and telegram.

No. 61.

Sir Terence O'Brien to Lord Knutsford.

Received 3rd March, 1891.

GOVERNMENT HOUSE, ST. JOHN'S, 16th February, 1891.

MY LORD,—I have the honour to inclose herewith a copy of the resolutions (see No. 58) passed by both branches of the Legislature in reference to the delay on the part of Her Majesty's Government in ratifying the convention for reciprocal trade between this colony and the United States of America.

2. At the request of the Legislature, as is shown in the accompanying copy of an Address presented to me, I forwarded the above-mentioned Resolutions, in full, by telegram to your Lordship on the 14th instant.

I have, &c.,

T. O'BRIEN, *Lt.-Col.,*
*Governor.*The Right Hon. Lord Knutsford, G.C.M.G.,
&c., &c., &c.

[Enclosure in No. 61.]

To His Excellency Sir J. Terence N. O'Brien, Lieutenant-Colonel, Knight Commander of the Most Distinguished Order of St. Michael and St. George, Governor and Commander-in-Chief in and over the Island of Newfoundland and its dependencies.

MAY IT PLEASE YOUR EXCELLENCY.

The Legislative Council and House of Assembly have passed the accompanying Resolutions, which they respectfully request your Excellency will be pleased to forward by telegraph to Her Majesty's Government through the Right Honourable the Secretary of State for the Colonies.

Passed the House of Assembly, 13th February, 1891.

GEO. H. EMERSON, *Speaker.*

Passed the Legislative Council, 13th February, 1891.

E. D. SHEA, *President.*

No. 62.

Sir Terence O'Brien to Lord Knutsford.

Received 7th March, 1891.

Telegraphic.

Following is text of last night's resolution passed by House of Assembly in answer to your telegram of 11th February and your despatch of 12th February:—(Nos. 54 and 55).

"Whereas Governor stated in reply to address on the 23rd February: 'While I thank you for your address, I regret that I must at the same time take exception to that portion of it which relates to the proposed convention with the United States of America, for I am led to believe, from a telegraphic communication received from the Right Honourable the Secretary of State for the Colonies, that when, on the arrival of the mail, this telegram and his Lordship's despatch on the subject are laid before you and all the circumstances become known, you will find that your conclusions and deductions have been erroneous;'

"And whereas, by his Excellency's command, this House has been placed in possession of the despatches referred to, and has most carefully considered the same; and whereas in the said despatches the Secretary of State has not only confirmed everything that this House alleged in the Resolutions that were unanimously adopted by it on the 13th February, and which was set forth in its address in reply to Governor's speech:—

"1. That the matter of reciprocity between Newfoundland and the United States was formally brought under the notice of the Imperial Government by the Newfoundland delegates;

"2. That after lengthy consideration of the proposals made by the said delegates, Her Majesty's Government assented to the Colonial Secretary of this island proceeding to Washington to lay before Her Majesty's Minister the views of the Newfoundland Government relative thereto;

"3. That after the return of the Colonial Secretary of Newfoundland in November a telegraphic despatch was received from the Right Honourable the Secretary of State for the colonies, advising his immediate return to Washington; and

"4. That a convention satisfactory to the Government of this colony was agreed upon which has not been ratified by Her Majesty's Government, but further states that the draft convention which was submitted to the American Minister on the 18th October was laid by Her Majesty's Ministers before the Government of Canada, and Her Majesty's Ministers decided that the convention must remain in abeyance because the Government of Canada had pointed out that Canada had on previous occasions obtained material concessions from the United States for privileges which this Colony now offers the United States in her own interest alone;

"And whereas, after acquiescing in the interference of the Government of Canada in relation to this matter, and accepting her protest against the convention, Her Majesty's Government did transmit a despatch to the Governor, under date of 18th November, advising the immediate return of the Colonial Secretary of this Colony to Washington in these words: 'Blaine urges that Colonial Secretary should return at once to Washington to furnish report on statistics and certain explanations which are necessary in connection with proposed reciprocity treaty. He considers that it would be advantageous for him to go immediately':

"*Resolved*,—That it is the opinion of this House that not only has the position which it took up and set forth in the Resolutions transmitted to Her Majesty's Government, and in the Address and reply to his Excellency's Speech, been amply substantiated and justified, but that the grievance of the Colony is intensified by the fact that after Her Majesty's Government had favourably received the objections of Canada, as set forth in the despatch of the Secretary of State of 12th February, the Colonial Secretary was directed to proceed again to Washington as if for the purpose of concluding the convention against which Her Majesty's Government had already accepted the protest of Canada.

"*Resolved*,—That in the opinion of this House the time for considering how far that convention might affect other interests than those of Newfoundland had arrived when, in July, 1890, a full text of the draft convention was submitted to Her Majesty's Government by the delegates, and not after formal negotiations had been entered into with the United States and the draft convention agreed to.

"*Resolved*,—That in the opinion of this House Her Majesty's Government are in honour bound to complete the negotiations which were entered upon and concluded so far as this Colony is concerned in good faith."

No. 63.

Sir Terence O'Brien to Lord Knutsford.

Received March 8th, 1891.

Telegraphic.

7th March, 1891. Referring to my telegram of to-day (No. 62), following is text of paragraph in Address to which serious objection was taken by me: "It is highly satisfactory to know that your Ministers have, with the express sanction of the Imperial Government, concluded a treaty of reciprocal trade with the United States through Her Majesty's Plenipotentiary and the United States Secretary of State; but this satisfaction is seriously diminished by the intimation which your Excellency has conveyed, that the Imperial Government has withheld its assent to this convention; our disappointment is the more deepened from the knowledge that Her Majesty's Government authorised a delegate from this Colony to conduct the negotiations which led to a convention so advantageous to both countries; we cannot close our eyes to the fact that Her Majesty's Government, in adopting a course fraught with such disastrous consequences to this Colony, has been influenced by regard for the interests of a neighbouring Dominion, and a disregard for those of the oldest and most unfavourably treated Colony of Her Majesty's Empire.

"The neglect to which this Colony is continually subjected must no doubt be attributed to the ignorance prevailing in the mother country respecting Newfoundland, a Colony which, with its dependencies, exceeds in area all the other Atlantic maritime provinces of British North America, that the interest therefore of such a Colony, with its inexhaustible fisheries, its boundless mineral wealth, its immense tracts of agricultural and timber lands, its magnificent bays and harbours, and from its geographical situation unsurpassed as a strategical position in the event of military or naval hostilities on this side of the Atlantic, should be made subservient to the party politics of a rival Colony, whose irritating policy has provoked and estranged a neighbouring friendly nation to which it is allied by the ties of a similarity of laws and language, race and religion, is calculated to call forth the just indignation of a people already suffering from the baneful effects of a century of misconstruction of French treaty rights on their shores; it is a subject of congratulation, however, to be informed that your Excellency's Ministers are using every effort to obtain the assent of Her Majesty's Government to this Convention."

No. 64.

Lord Knutsford to Sir Terence O'Brien.

DOWNING STREET, March 12th, 1891.

SIR,—I have the honour to acknowledge the receipt of your Despatch of 16th February (No. 61), forwarding the Resolutions passed by both Houses of the Legislature on the subject of the course taken by Her Majesty's Government with regard to the proposed convention with the United States.

The purport of these Resolutions had previously been communicated to me in your telegram of the 13th February (No. 58), and, as I informed you in my reply of the 17th (No. 59), of that month, full explanations of the action of Her Majesty's Government in this matter were contained in my Despatch of the 12th February, (No. 55), which I requested you to present to the Legislature. I have since received your telegrams of the 7th March (Nos. 62 and 63) reporting further Resolutions passed by the House of Assembly on the 6th instant.

I explained in my telegram of 17th February (No. 59), that the circumstances connected with Mr. Bond's second visit to Washington had been incorrectly referred to in the former Resolutions, and I regret to observe that on this point, as well as in respect of other errors which I had corrected in my Despatch of 12th February (No.

55). the House of Assembly has again been invited by your responsible advisers to record an inaccurate view of the transactions referred to.

At the request of the United States Secretary of State Mr. Bond was, on the 14th November, invited to return to Washington to "furnish information as to certain statistics and explanations necessary in connection with the proposed convention," but it was in no way suggested that the convention could then be concluded.

The correspondence about to be published shows this fact very distinctly.

It appears that while at Washington, Mr. Bond, without reference to Her Majesty's Minister, had several interviews with Mr. Blaine, which resulted in a remodelling of the draft convention as prepared and presented to Mr. Blaine by Sir J. Pauncefote. This new draft he handed to Her Majesty's Minister on the 16th December, with a statement that it would be most acceptable to Newfoundland, and that Mr. Blaine was also prepared to accept it. Sir J. Pauncefote (who had received no reply from the United States Government to his communication presenting the original draft) at once informed Mr. Bond that he would keep the draft for reference in case Mr. Blaine should make any proposal to him founded upon it, but that he could take no cognizance of anything that might have passed between Mr. Bond and Mr. Blaine during his absence. Mr. Bond readily admitted this, and said that Mr. Blaine would no doubt communicate the draft to Sir J. Pauncefote as a counter-proposal. It was not, however, till the 6th January that Mr. Blaine communicated the counter-draft to Her Majesty's Minister, and this fact, which was known to your Ministers, does not appear to have been pointed out to the Legislature.

I have, in my despatch already referred to, explained the circumstances in which Her Majesty's Government consented to the opening of the negotiations, and I have pointed out that such consent could not be construed into a pledge or obligation on their part to conclude and ratify any convention without full consideration being given to other interests likely to be affected by it.

In the Resolution of the 6th instant your Ministers invited the House of Assembly to state that the question whether other interests might impede the desired separate convention should have been considered before, and not after, negotiations were entered upon; but it should have been obvious to your Ministers that if that question had been raised in the first instance it would almost certainly have been decided that power could not be given to Newfoundland to negotiate the desired separate convention without the concurrence of Canada, while there appeared to be some hope that in working out the convention it might be brought into a shape not directly detrimental to other British interests, and be made to include such provisions as would enable Canada to become a party to it.

I regret that the measures which Her Majesty's Government felt it to be their duty to take in connection with the proposed convention, and the course of the proceedings, should not have been stated in the Newfoundland Legislature with precise accuracy.

I request that you will lay this Despatch before both Houses of the Legislature.

I have, &c.,

KNUTSFORD.

Sir TERENCE O'BRIEN.

No. 10.

Sir J. Pauncefote to Lord Stanley of Preston.

WASHINGTON, 26th March, 1891.

MY LORD,—Immediately on receipt of your Lordship's despatch No. 17, of the 16th instant, I sought an interview with the Secretary of State for the purpose of ascertaining from him at what date it would be convenient that the representatives appointed by the Canadian Government should proceed to Washington for the purpose of holding the proposed unofficial conferences on the questions referred to in

that despatch. Mr. Blaine was unable to see me owing to indisposition. I therefore addressed a note to him of which I have the honour to inclose a copy, but to which I have as yet received no reply. I regret to say that he has been confined to his room ever since, but he was good enough to receive me at his house yesterday when he informed me that he would send a written reply to my note.

I have, &c.,

JULIAN PAUNCEFOTE.

The Governor General.

WASHINGTON, 20th March, 1891.

DEAR MR. BLAINE,—In a note dated 27th January last, I had the pleasure to inform you confidentially, that the Canadian Government, in deference to your preference for an unofficial conference on the question of reciprocity, were disposed to meet your wishes in that respect. It was understood that you would be ready after the 4th March to discuss the subject unofficially with me and one or more agents from Canada.

I have now received a despatch from the Governor General of Canada in which he requests me to ascertain from you whether the present time is convenient to you for that purpose, in which case the representatives appointed by the Canadian Government will proceed at once to Washington to confer in the manner proposed on all or any of the subjects indicated in the basis of negotiation, of which I had the honor to place a copy in your hands on the 22nd December last.

I should be extremely obliged if you would favour me with an early reply to Lord Stanley's inquiry, and I remain, &c.

J. PAUNCEFOTE.

The Hon. J. G. BLAINE.

No. 11.

Sir J. Pauncefote to Lord Stanley of Preston.

WASHINGTON, 8th April, 1891.

MY LORD,—With reference to my telegram of the 6th instant, respecting the adjournment of the proposed Conference on reciprocal trade arrangements between Canada and the United States, I now have the honour to transmit to Your Excellency a copy of a letter which I received from Mr. Blaine after the departure of Sir Charles Tupper and his colleagues from Washington, and in which he suggests the 12th October as the date for opening the Conference.

I shall feel obliged if Your Excellency will be good enough to inform me whether the above date is agreeable to the Dominion Government and whether I may so inform the Secretary of State.

I have, &c.,

JULIAN PAUNCEFOTE.

The Governor General, &c., &c.

17 MADISON PLACE, WASHINGTON, 6th April, 1891.

MY DEAR SIR JULIAN,—May I hope that Monday, October 12th, will prove a convenient time for the representatives of the Dominion of Canada to come to Washington for a Conference regarding reciprocal trade arrangements between the two countries?

The day will be altogether agreeable to this Government. Regretting that your friends cannot remain long enough among us to receive the hospitality of our people.

I am, &c.,

J. G. BLAINE.

No. 12.

LEGISLATIVE ASSEMBLY, MANITOBA, 2nd April, 1891.

SIR,—I have the honor in accordance with the instructions of the Legislature to transmit to you copy of a resolution adopted at the present session.

I have the honor to be, sir, your obedient servant,

E. G. CONKLIN, *Clerk of the Legislative Assembly.*

The Right Honourable Sir JOHN A. MACDONALD, Ottawa.

RESOLUTION.

Moved by Mr. Fisher, seconded by Mr. Martin (Morris),—

Ordered.—Whereas this House on the 19th day of March, 1890, unanimously adopted a resolution reaffirming the declaration of a previous legislature that the Customs Tariff pressed very heavily on the people of this Province, and pronouncing in favor of unrestricted reciprocity between Canada and the United States, as the late Hon. John Norquay had so decidedly done in 1887;

And whereas attempts have several times been made on the part of the Government of Canada, since the cancellation in 1866 of the treaty of 1854 providing for reciprocity in natural products, to bring about a wider scheme of reciprocity embracing many articles of manufacture as well as natural products, and that Government has recently taken fresh steps looking once more to the accomplishment of that end, while the political party in the Dominion opposed to the Government has pronounced in favor of the unrestricted reciprocal trade for which this Legislature and Mr. Norquay prayed: and these facts prove that all parties in the Dominion are united in a desire to secure a wide system of reciprocity with the United States;

And whereas suggestions have been made in certain high quarters, that some of the leading advocates of unrestricted reciprocity, are aiming at a dissolution of the tie that binds this country to the mother land and to link us politically with the American Republic;

And whereas it is desirable that no misapprehension shall exist as to the attitude of this Legislature in that regard;

Be it therefore resolved that this House most emphatically declares that in pronouncing in favor of unrestricted reciprocity with the American Union it did not, and does not aim at leading directly or indirectly, proximately or remotely to such a result: But it sought, and seeks simply to secure for the settlers in Manitoba the most convenient competitive markets for the disposal of their produce and for the procuring of their needed supplies, under the most favourable conditions for the sale of the one and the purchase of the other.

And this House further declares that no treaty of reciprocity will be satisfactory which will not place it beyond the power of American legislation to fix or American influence to change the Canadian Tariff against other lands, or which will in any way place Canada at the mercy of the United States.

And it is the opinion of this House that a fair measure of reciprocity based on proper conditions which would be at once appropriate to our interests and consistent with the preservation of the integrity of the Empire would largely promote the material prosperity of Canadians and so tend to make them more than ever content with their existing political relations.

No. 13.

Sir Charles Tupper to Sir John A. Macdonald.

WASHINGTON, 21st April, 1891.

DEAR SIR JOHN MACDONALD,—I arrived in Washington at 3.50 p.m., on Wednesday, 1st April, 1891, and, after taking rooms at the Arlington, at once drove to the British Legation where I was received in the kindest manner by Sir Julian and Lady Pauncefote, who insisted upon my staying with them during my visit to Washington, which invitation I accepted.

Sir Julian Pauncefote told me that he had pressed Mr. Blaine for an answer to his note of enquiry as to when he would receive delegates from Canada to discuss the proposed question of reciprocity, and that he had been informed by Mr. Blaine that morning that he (Sir Julian) would receive a letter that day. Sir Julian informed Mr. Blaine that he had been advised by Lord Stanley of my departure for Washington. To this Mr. Blaine replied that upon my arrival he would be very happy to see me, but that, in the meantime, he would send a written answer to Sir Julian's note.

Mr. Blaine's letter reached Sir Julian shortly after my arrival. It contained a formal acknowledgment of Sir Julian's note and intimated that he had said that exception had been taken by the President and himself to the proposed basis of negotiation at the time the memorandum on this subject was submitted to him by Sir Julian. In this view Sir Julian told me he could not concur, as, according to his recollection, no reference had been made at the time to the President, or that such were his views.

Mr. Blaine also said that he did not agree with the references which had been made by Sir John Macdonald and Sir Charles Tupper, during the elections, as to what had taken place concerning the initiation of the proposed informal discussion between the Dominion and the United States representatives. The initiation Mr. Blaine contented had come from Sir Julian. He added, however, that he would be pleased to receive the delegates from Canada and to confer with them informally upon the subject of reciprocal trade relations.

On the following morning (Thursday, 2nd April), Sir Julian wrote to Mr. Blaine saying that I had arrived, and asking when it would be convenient for Mr. Blaine to receive us.

Mr. Blaine replied immediately that he would be most happy to meet us at the State Department at 11 o'clock the same morning, that he would have preferred to see us at his residence, but it was the diplomatic reception day at the State Department, and that we would be admitted to his office immediately after those who were there before us. Sir Julian and I reached the State Department precisely at eleven o'clock, where we found the German Minister waiting, and learned that the Mexican and Danish Ministers were already with Mr. Blaine. We were soon joined by the French and Spanish Ministers.

As soon as the German Minister had had his interview we were sent for by Mr. Blaine.

He received me with great cordiality and proceeded to remind me of our having met on the occasion of the opening of the International Railway, connecting Maine and New Brunswick. I told him that I had always had a most agreeable recollection of that incident, and that I was very glad to have an opportunity of renewing the pleasant acquaintance I had at that time formed.

I told Mr. Blaine that I wished, in the outset, to recognize the accuracy of the statement contained in his letter to Sir Julian Pauncefote, which I had seen, in reference to the initiation of the negotiations regarding reciprocal trade arrangements between the two countries; that I believe it arose from the negotiations which had recently taken place between the United States and Newfoundland, and the desire expressed by Canada to be included in any arrangement such as had been understood to have been contemplated by the United States and Newfoundland; and that, upon that being communicated to him by Sir Julian Pauncefote, he had expressed his

willingness to open negotiations for reciprocal trade arrangements between Canada and the United States, assisted by delegates from the Dominion Government; the negotiations to be informal, and to a certain extent of a confidential nature until they could assume a more formal character, if any result were arrived at.

Mr. Blaine said he had understood Canada had taken some exception to the proposed arrangement with the United States by Newfoundland. I admitted that such was the case, and that I had explained to Her Majesty's Government that in connection with the question of the Atlantic fisheries, the interests of Canada and of Newfoundland had always been regarded as inseparable; that the treaties of 1854 and 1871 provided for the participation of Newfoundland by the action of its legislature; that the ratification of the treaty of 1888 depended upon the approval of Newfoundland; and that there appeared to be great objections on many accounts to the interests involved being dealt with separately. Mr. Blaine asked me what was the reason that Newfoundland had not become a part of the Canadian Confederation. I replied that, in addition to its being somewhat more remote, the difficulty was that which had been experienced, notably in the United States and the British North American provinces, of the reluctance of a small autonomous Government of giving up its affairs to a larger body where it might possibly be overruled. I instanced the strong feeling which was exhibited by the province of Nova Scotia in opposition to becoming a part of our Confederation, but which happily had been removed by experience. I added that, but for the abrogation of the Treaty of 1854, I did not believe that it would have been possible to have carried Confederation in Nova Scotia.

I then told Mr. Blaine that I wished to remove the idea, if he entertained it, which had been promulgated in Canada and the United States, that the present Government of the Dominion was not warmly in favour of the most friendly relations with the United States. In an article which I had recently sent over my own signature to the *North American Review*, I had undertaken to give conclusive evidence upon that point, and that I need further only refer him to the fact that when Sir John Macdonald, who was one of Her Majesty's Joint High Commissioners, submitted to Parliament for approval the Alabama Treaty—which settled also all the then pending questions between Canada and the United States—he was fiercely denounced by the leaders and press of the Liberal party for having basely sacrificed the interests of Canada in his endeavours to promote friendly relations between Canada and the United States. I added that I had experienced the same treatment from the same party, when I submitted for the approval of Parliament, the Treaty of Washington of 1888. I was then charged by the leaders and press of that party with having conceded everything to the United States and obtained nothing in return, so great was my anxiety to remove all causes of dissention between the two countries.

Continuing, I said, that, of course, in 1866 and subsequently in 1885, when treaties, which gave to United States fishermen common rights with our own fishermen, were abrogated in consequence of the action of the United States, we were thrown back upon the Treaty of 1818, but I said that the statement that Canada had then resorted to a harsh construction of the Treaty of 1818 with the object of promoting freer trade relations with the United States, was erroneous. That we were compelled in justice to the rights of our own fishermen, who were met with high duties in the United States markets, to protect our fishermen as effectually as we could. We were attacked by the press of the Opposition for not maintaining our rights more thoroughly.

Mr. Blaine desired to assure me that, outside of individual expressions of opinion, there was no interest taken by the Administration or Congress of the United States in the recent Canadian elections, and that they had taken no action of any kind calculated to influence the result of the elections.

I then went on to say that, in the article which I had written for the *North American Review*, he would find I had said that greatly to the honour of Congress it refused to pass a resolution which was urged upon it by Mr. Wiman for the avowed

purpose of influencing our elections, and that although I myself had formed the opinion that both the great parties in the United States would be glad to have Canada in the Union, I regarded that feeling, if it existed, as more of a compliment to Canada than otherwise. Continuing, I said that Canada was most anxious to have the freest and most friendly trade intercourse with the United States consistent with the interests of both countries and that I should regret very much if Canada and the large number of Canadians in the United States were driven to the conclusion that they could only look to one party in the United States for freer commercial intercourse between the two countries.

I said it was difficult to say why the Treaty of 1854 should have been abrogated, as the statistics of both countries proved that, although there was great expansion of trade between the United States and Canada, more advantage had accrued to the United States than to Canada under the Treaty, the balance of trade being over \$95,000,000 in favour of the United States.

Mr. Blaine said that he was free to admit that that Treaty was not abrogated on commercial grounds, but in consequence of the feeling which had grown up that Canada had sympathised with the Southern States in their conflict.

I replied that it was difficult to see upon what basis that opinion could be entertained, as it was admitted that no less than 40,000 Canadians had fought in the Northern army to maintain the union of the United States, while I did not suppose that 40 had been found on the other side.

Mr. Blaine admitted that, but he supposed that the very large bounty had had a good deal of influence in the matter. I then said that that unhappy conflict had taken place previous to the Confederation of Canada, but I could speak with some accuracy of the Province of Nova Scotia with which I was then connected: that the Legislature of Nova Scotia had passed a resolution deploring the war, and that one of the sharpest of Intercolonial questions arose, as he would remember, in connection with the Chesapeake incident in the harbour of Halifax, and that it was my duty as premier of the Province to advise the Lieutenant Governor, who was also the Commander-in-Chief, as to what course the Government of Nova Scotia should pursue: and that the President of the United States had sent an autograph letter thanking him for the action of the Government of Nova Scotia on that occasion. I had only to repeat, I went on to say, that the Government of Sir John Macdonald, and the party which sustained him had the strongest desire to promote reciprocal trade between the two countries, and their hopes in that direction were greatly strengthened by the decided measures which Mr. Blaine had taken to promote reciprocal trade with other countries, and that I could not see why he could not with great advantage to the United States, as well as to Canada, extend to the North the same policy he had pursued with countries to the South, whose trade was very much smaller than that between the Dominion and the United States.

I said that the fact that he had expressed his readiness to receive the representations that Canada wished to make, would show that he was quite open to consider that question. I was further strengthened in these views, I added, by the disposition that he had shown to make reciprocal arrangements with the Colony of Newfoundland. Under the *modus vivendi* an arrangement was made by which the licenses given in Canada or Newfoundland covered the waters of both. The fact that a large number of licenses were taken out in Canada led to the conclusion that Canada was the best base of supplies for the fishermen of the United States, who, in going to the Grand Banks of Newfoundland from Gloucester, naturally passed near the coasts of Nova Scotia, where they were entitled to obtain not only all the bait and other commercial privileges they required but in addition were entitled to ship crews and to transport by rail their fish in bond through Canada to the markets of the United States.

Some question then arose between Sir Julian Pauncefote and Mr. Blaine as to Mr. Bond's negotiations. Sir Julian explained that Mr. Bond had no authority to negotiate in any other way than through him, and that Mr. Bond's last negotiation was entirely irregular and without authority.

Mr. Blaine said that it did not appear necessary to negotiate any treaty with Newfoundland, as that colony had expressed its readiness to give the United States the privileges they enjoyed by their own action and that they proposed, not only to give bait to United States fishermen, but to refuse to give the same privilege to Canada. I told Mr. Blaine that the Bait Act in Newfoundland had received the assent of Her Majesty upon the distinct pledge of Sir Ambrose Shea and the then Premier of Newfoundland that Canadian vessels would not be affected by it. That I understood the courts of Newfoundland had declared that the action taken under that Act was not legal. I added, that Her Majesty had the power to disallow any Bill that might be passed upon the subject by the colony.

I told Mr. Blaine that Sir John Macdonald had understood that Mr. Blaine had not been well, and that Sir John had suggested that it might be more convenient to Mr. Blaine to take up the consideration of these questions at a later period, and that pending the consideration of these questions at a later period the Dominion Parliament would be asked to continue the *modus vivendi* to avoid friction in the meanwhile.

Mr. Blaine replied that, as he was better, he was quite prepared to go on now, or if we preferred to take up the subject later. I then said that I would ask the Minister of Justice and the Minister of Finance who had been deputed by Sir John Macdonald to join me as soon as Mr. Blaine could receive us. He named Monday next, the 5th inst., and he promised to give the fullest and fairest consideration to the whole subject.

He referred incidentally to the Behring sea question. I merely said in reply that I understood that it was in a fair way of an early, and I hoped, satisfactory adjustment.

He mentioned also casually, that he had proposed to my son, the Minister of Marine and Fisheries, during his conference at Washington, last year, that no increase of duties should take place either in the United States or Canada on fish, and he regretted that that proposal had not been accepted as Congress had since increased them. I told him I was much surprised to hear this, as I could not understand such a proposition not finding favour. I added that I would look into the matter. I have, since my interview with Mr. Blaine, learned that the proposal of Mr. Blaine was in effect that the United States suggested that they would not increase the duties on fish if Canada would do away with the tonnage dues under the *modus vivendi*.

Upon the conclusion of our interview, I thanked Mr. Blaine very much for his courtesy and told him that I should endeavour to meet him, with Sir J. Pauncefote and my colleagues, for the purpose of having the negotiations opened on Monday next.

I am, &c.,

CHARLES TUPPER.

The Right Hon. the Prime Minister,
&c., &c., &c.,
Ottawa, Canada.

No. 14.

OFFICE OF THE HIGH COMMISSIONER FOR CANADA,
VICTORIA CHAMBERS, 17 VICTORIA STREET,
LONDON, S. W., 25th April, 1891.

MY DEAR SIR JOHN MACDONALD,—As you are aware, after my interview with Mr. Blaine, on the 2nd April, I made a hurried visit to Ottawa, and had the pleasure of a short conference with you and your colleagues on the 4th, when you handed me the following telegram from Sir J. Pauncefote, dated the 3rd April:—

“Will you kindly communicate following message to High Commissioner:—

“Secretary of State wrote to you after your departure yesterday, to invite you to dine on Saturday, and also to say that after conferring with President of

United States he may have to modify the date fixed for opening the discussion on the commercial relations between the two countries.

"He will advise me definitely to-day, and will endeavour to suit the convenience of the representatives.

"He requested me to inform you of the contents of above letter, which I forwarded by post to-day."

As no further communication was received, we assumed that the arrangement for our meeting on the following Monday stood, and Sir John Thompson, Mr. Foster and myself left for Washington, and reached the Arlington Hotel at 11 o'clock on Sunday evening.

Early on Monday morning I received the following note from Sir J. Pauncefote:—

"BRITISH LEGATION, WASHINGTON, 6th April, 1891.

"(Private.)

"DEAR SIR CHARLES.—Your movements have been so rapid that you must have left Ottawa before the receipt of the telegram I sent you on Friday morning, informing you of the contents of a letter addressed to you by Mr. Blaine, after your departure from Washington on Thursday, in which he expressed the desire of the President to postpone the meeting fixed for to-day. I am anxious to see you as soon as possible to explain the situation to you.

"I forwarded your letters to Ottawa, thinking that you would delay your departure in consequence of Mr. Blaine's letter.

"JULIAN PAUNCEFOTE."

We all called upon Sir Julian at 10 o'clock, when he handed me the following letter from Mr. Blaine, and expressed his regret that his telegram of the 5th April had not been received in time to prevent our leaving Ottawa:—

"17 MADISON PLACE, WASHINGTON, D.C., 2nd April, 1891.

"MY DEAR SIR CHARLES,—After conference with the President I find I may have to modify the date which we agreed upon for opening the discussion on the commercial relations of the two countries. I shall be able to advise you definitely to-morrow. In any event, I shall endeavour to adjust the time to the convenience of the gentlemen who will represent the Dominion in the conference.

"Meanwhile, I hope you will do me the honour to dine with me on Saturday evening at eight o'clock, to met a few ladies and gentlemen of Washington society.

"I am, &c.,

"JAMES G. BLAINE."

Sir J. Pauncefote's telegram of the 5th April, read as follows:—

"Private. Mr. Blaine is surprised that the Canadian representatives left for Washington after his letter to Sir Charles Tupper, of which I telegraphed the contents to Your Excellency on Friday morning. He says that the President owing to pressure of other questions desires to postpone the conference until October. Sir Charles has telegraphed that he and his colleagues will arrive here to-night."

Sir J. Pauncefote called upon Mr. Blaine at his house, and informed him of our arrival, when he expressed a wish to see us as soon as convenient, and we waited upon him immediately. He expressed great regret at our not having received his message of the 5th April in time to avoid the necessity of our journey. He said that the President, who was practically the Prime Minister under their system, was extremely anxious to be in Washington during the negotiations, and had requested that they might be deferred to a later date, as he had made arrangements which could not be changed for an immediate visit to the west. Mr. Blaine also mentioned that the President said that, as there would be no meeting of the Senate before December, no serious inconvenience, he trusted, would arise from the postponement. He was conferring further with the President as to the time when they would like to open the negotiations.

You have of course since learned that the date of the proposed meeting at Washington has been fixed for the 12th October next. This at first sight would seem to involve a long delay, but as the session of your Parliament would preclude any meeting before the 1st July, and as the hot weather at Washington obliges those who can do so to go to the sea-side during the summer months, October is really as early a period as it was practicable to arrange.

Sir John Thompson, Mr. Foster and myself left immediately for New York, and they returned to Ottawa, and I sailed for England on Wednesday, the 8th instant.

I may add that, after carefully thinking over all that has occurred, I consider there is good reason to hope that a fair arrangement may be made with the Government of the United States in relation to the important questions contained in Lord Stanley's despatch to Lord Knutsford of the 13th December, 1890.

I remain yours faithfully,

The Right Hon. Sir JOHN A. MACDONALD, G.C.B.,

CHARLES TUPPER.

&c.

&c.

&c.

MESSAGE.

(38a)

STANLEY OF PRESTON.

The GOVERNOR GENERAL transmits to the HOUSE OF COMMONS further papers relating to the extension and development of trade between the United States and the Dominion of Canada, including the Colony of Newfoundland.

GOVERNMENT HOUSE,

OTTAWA, 16th June, 1891.

Lord Knutsford to Lord Stanley of Preston.

Telegraphic.

22nd October, 1890.

The following is the substance of a telegram received by the Marquis of Salisbury from the British Minister at Washington, 17th instant:—

“With reference to your Lordship’s despatch of the 10th ultimo, introducing Mr. Robert Bond, I have presented that gentleman to Mr. Secretary Blaine, and negotiations are now going on with a view to an independent arrangement between the United States and Newfoundland relating to the fisheries. Before negotiations go further I would suggest that the Government of Canada might be informed, as they might wish to negotiate on the same lines as regards the Provinces of New Brunswick and Nova Scotia.”

Lord Stanley of Preston to Lord Knutsford.

Received 31st October, 1890.

Telegraphic.

“Referring to your telegram of the 22nd, Dominion Government are not informed of Bond’s powers or instructions, and wish for communication thereof, and to have opportunity reserved for Canada to be included in any arrangement.”

Colonial Office to the High Commissioner for Canada.

DOWNING STREET, 1st November, 1890.

SIR,—I am directed by Lord Knutsford to acknowledge the receipt of your letter of the 27th ultimo, drawing attention to the objection entertained by the Government of Canada to a separate fishery arrangement between the United States and Newfoundland, and to acquaint you that the representation which it contains will receive very careful consideration.

I am, &c.,

The High Commissioner for Canada.

JOHN BRAMSTON.

Colonial Office to Foreign Office.

DOWNING STREET, 3rd November, 1890.

SIR,—I am directed by Lord Knutsford to transmit to you, to be laid before the Marquis of Salisbury, a paraphrase of a telegram received from the Governor General

of Canada, relating to the negotiations proceeding at Washington on the subject of an arrangement between the United States and Newfoundland relating to the fisheries.

Lord Knutsford proposes, with Lord Salisbury's concurrence, to reply to the Governor General in the terms of the telegram of which a draft is enclosed; and he would suggest, for Lord Salisbury's consideration, whether it would not be advisable that the Governor General's telegram and the reply should be telegraphed to Sir Julian Pauncefote, with instructions to consider in what way the wish of Canada to be included in any arrangement may best be made, and to telegraph home for consideration the terms of any convention or arrangement which he thinks could be obtained or is desirable.

The Under Secretary of State,
Foreign Office.

I am, &c.,

JOHN BRAMSTON.

Foreign Office to Colonial Office.

FOREIGN OFFICE, 4th November, 1890.

SIR,—With reference to your letter of yesterday's date, respecting the proposed negotiations between Newfoundland and the United States for an arrangement as to the fisheries question, I am directed by the Marquis of Salisbury to request that you will state to Lord Knutsford that he concurs in the proposed reply to Lord Stanley's telegram of the 30th ultimo.

I am to add that, in accordance with the suggestion made in your letter, the telegraphic correspondence with the Governor General of Canada on this subject has been communicated by telegraph to Her Majesty's Minister at Washington.

Sir Julian Pauncefote has also been requested to report in what way he considers that the wish of the Canadian Government to be included with that of Newfoundland in any arrangement made with the United States can best be carried out.

I am, &c.,

The Under Secretary of State,
Colonial Office.

P. W. CURRIE.

Lord Knutsford to Lord Stanley of Preston.

Telegraphic.

4th November, 1890. Your telegram of 30th October. Bond has no powers or instructions. Having decided to visit Washington, he was introduced to the British Minister in order to consider with him whether, as Newfoundland delegates believed, United States would, under McKinley law, remit or reduce duty on Newfoundland fish if colony granted reciprocally facilities for procuring bait. No wider arrangement suggested. Her Majesty's Government are in communication with British Minister respecting wish of Dominion Government that Canada should be included in any arrangement.

Foreign Office to Colonial Office.

FOREIGN OFFICE, 6th November, 1890.

SIR,—With reference to my letter of the 4th instant, I am directed by the Marquis of Salisbury to transmit herewith, for the information of Secretary Lord Knutsford, a paraphrase of a telegram from Sir J. Pauncefote, giving the substance of a draft convention he has privately communicated to Mr. Blaine for an arrangement as to fishing questions and trade regulations between the United States and Newfoundland.

I am to point out that Sir J. Pauncefote defers replying to the inquiry addressed to him as to the best mode of including Canada in such an arrangement until he has discussed the draft with Mr. Blaine.

I am, &c.,

P. W. CURRIE.

The Under Secretary of State,
Colonial Office.

Paraphrase of Telegram from Sir J. Pouncefote.

WASHINGTON, 5th November, 1890.

In reply to your Lordship's telegram of yesterday, I beg to state that Sir W. Whiteway's memorandum of the 12th July corresponds exactly with the convention I have communicated to Mr. Blaine, except that, in accordance with Mr. Bond's request, crude minerals have been added.

The 1st Article provides that the privilege of purchasing bait fishes in Newfoundland in the same manner as vessels of the colony shall be accorded to United States fishing vessels; also that United States fishing vessels shall be allowed to touch and trade, sell their fish and oil, and procure supplies, on condition that they pay the same dues as Newfoundland vessels, and conform to the harbour regulations.

In Article II provision is made that facilities shall be given for recovery of penalties in United States Courts under bonds against United States citizens.

Under Article III the United States are to admit duty free the produce of the fisheries of Newfoundland, including cod and seal oil, and also the produce of mines.

By Article IV it is agreed that the Convention shall hold good for ten years, and that after that period it shall, subject to one year's notice, continue from year to year.

I hope to discuss the above proposal with Mr. Blaine in the course of a few days, and until I have done so I would ask to be allowed to defer my reply to your Lordship's inquiry as to the best mode of including Canada in the arrangement.

*Lord Knutsford to Lord Stanley of Preston.**Telegraphic.*

(Extract.)

November 15th, 1890. Referring to my telegram of the 4th instant, following is substance of draft proposed Convention between Newfoundland and United States.

Article I. United States vessels to have privilege of purchasing bait in Newfoundland, same conditions as Newfoundland vessels, and to be allowed to touch and trade, sell their fish and oil, and procure supplies, paying same dues as Newfoundland vessels, and conforming to harbour regulations.

Article II. Facilities shall be given for recovery in United States Courts of penalties incurred under bonds by United States citizens.

Article III. United States to admit duty free Newfoundland codfish, cod oil, seal oil, herring, salmon, lobsters, &c., and crude produce of mines.

Article IV. Convention to continue for ten years, and thereafter from year to year, subject to a year's notice. Convention ends.

Lord Stanley of Preston to Lord Knutsford.

Received 19th November, 1890.

Telegraphic.

(Extract.)

Have received your telegram of 15th instant. My Government view with the utmost alarm proposed convention between Newfoundland and the United States.

It affects fisheries interests of Canada as well as those of Newfoundland, and places fisheries and other products of Canada on different footing from those of Newfoundland in United States markets.

Sanction of Newfoundland treaty by Her Majesty's Government would materially aid United States policy by placing Canada at disadvantage with neighbouring Colony of Newfoundland and producing discontent here.

Dominion Government respectfully remonstrate in strongest terms against signature of proposed convention at Washington. I will telegraph text of Council Minute when received.

Lord Knutsford to Lord Stanley of Preston.

25th November, 1890.

Your telegram of the 19th instant received. Her Majesty's Government sorry to learn that your Government entertain apprehensions of injury to Canada from the proposed separate arrangement between Newfoundland and the United States. Desirable to have a statement showing fully in what way it is feared the injury would result under the conditions of the case. Her Majesty's Government have offered to try to have the proposed arrangement extended so as to embrace Canada or to negotiate for Canada with the assistance of Canadian delegates a separate Convention more suitable to her circumstances. In the present urgent condition of Newfoundland unfortunate feeling will be excited by opposition of Canada to the efforts of Newfoundland to relieve its distress. You may communicate to Pouncefote the substance of your telegram to me. Her Majesty's Government will delay Newfoundland Convention, if Canadian negotiations can be entered upon at once on lines proposed by your Ministers so that both may proceed *pari passu*. Any Reciprocity Treaty between Canada and the United States, would, as previously, be framed so as not to place imports from this country at a disadvantage, and it is presumed that Canada would wish to retain control over her tariff with a view to possible extension of her trade with the Colonies and England.

Lord Stanley of Preston to Lord Knutsford.

(Extract from telegram.)

26th November, 1890.

With reference to your telegram of the 25th instant, Canadian Government appreciates the consideration evinced by Her Majesty's Government in delaying the Newfoundland Convention.

Canadian Ministers are prepared to open negotiations immediately on lines indicated in my telegram of the 19th, provided their representatives at Washington could be commissioners associated with British Minister and empowered to negotiate directly instead of being merely delegates.

As the Newfoundland arrangement is inapplicable in some details and incomplete in others desired by Canada, they think that a separate convention will be necessary rather than an inclusion in the Newfoundland one.

* * * * *

As permitted by you, I am about to communicate to Pouncefote the substance of these telegrams.

Lord Stanley of Preston to Sir J. Pouncefote.

(Extract from telegram.)

28th November, 1890.

The text of the Draft Convention between Newfoundland and the United States was telegraphed me on the 15th instant by Her Majesty's Government. I was informed of Blaine's views, as well as of your suggestion that we should send delegates to Washington unofficially simply to discuss matters, and the inclusion of transit in bond in the negotiations was suggested. On 19th a reply was sent to the effect that proposed Convention was viewed with utmost alarm by this Government. Fishery and other products of Canada were placed by it on a different footing in United States markets from those of Newfoundland. If Convention sanctioned Canada would be placed at disadvantage as compared with Newfoundland, discontent produced in the Dominion. * * * * *

We are prepared to arrange for commercial relations with United States being liberally extended, and wish that United States may be so informed. This Government objects to sending delegates to Washington unofficially, as liable to give rise to misunderstanding, but is ready at once to open formal negotiations with sanction of Her Majesty's Government. * * * * * They protest meanwhile against the signature of the Conven-

tion. On 25th Her Majesty's Government replied that Newfoundland Convention would be delayed if Canadian negotiations can be opened at once and both proceed simultaneously. * * * On 26th I replied, Canadian Government greatly appreciate delay of Newfoundland Convention. They would negotiate immediately on lines indicated in my telegram of the 19th if their representatives could be commissioners empowered to negotiate directly instead of merely delegates. A separate convention is considered necessary, the Newfoundland Convention being inapplicable in some details and otherwise incomplete.

* * * * *

Lord Knutsford to Lord Stanley of Preston.

Paraphrase.

4th December, 1890.

With reference to your despatch of the 19th ultimo, Her Majesty's Government agree to the Minister at Washington being assisted by one or more Canadian Plenipotentiaries, if United States consent to negotiations.

Lord Stanley of Preston to Lord Knutsford.

(Extract from telegram.)

5th December, 1890.

Assent given in your telegram of the 4th instant has given much gratification to the Canadian Government.

* * * * *

I have unofficially communicated the substance of your answer to the British Minister at Washington.

May we now make definite official proposal through the British Minister to the United States Government?

Sir Julian Pancefote to Lord Stanley of Preston.

(Extract from telegram.)

7th December, 1890.

I am informed by the Secretary of State that his Government could not respond to the suggestion of a formal Commission until a basis of arrangement had been first reached. He expresses a strong desire, however, to conclude a wide Reciprocity Treaty.

* * * * *

Any indications which Your Excellency could give me in the meantime of the views of your Government would probably expedite the appointment of a Commission. The above has been repeated to London.

Lord Knutsford to Lord Stanley of Preston.

(Paraphrase of telegram.)

10th December, 1890.

Sir Julian Pancefote's telegram to you of the 7th instant; as soon as the views of your Ministers have been communicated to him, Her Majesty's Government would be glad to have an opportunity of considering them.

Lord Stanley of Preston to Lord Knutsford.

(Paraphrase of telegram.)

10th December, 1890.

Referring to your telegram of to-day: information required has been promised me on Friday by the Prime Minister, who called this morning.

Lord Stanley of Preston to Lord Knutsford.

GOVERNMENT HOUSE, OTTAWA, 13th December, 1890.

MY LORD,—I had the honour to send to Your Lordship to-day a telegraphic message, of which the following is the substance :

"With reference to my telegram of the 10th instant, this Government is desirous * * * * to propose a Joint Commission such as that of 1871, with authority to deal without limitation, and to prepare a treaty respecting the following subjects :

1. Renewal of the Reciprocity Treaty of 1854, with the modifications required by the altered circumstances of both countries, and with the extensions deemed by the Commission to be in the interest of Canada and the United States.

2. Reconsideration of Treaty of 1888 with respect to the Atlantic fisheries, with the aim of securing the free admission into United States markets of Canadian fishery products in return for facilities to be granted to United States fishermen to buy bait and supplies and to tranship cargoes in Canada. All such privileges to be mutual.

3. Protection of mackerel and other fisheries on the Atlantic Ocean and in inland waters also.

4. Relaxation of seaboard coasting laws of the two countries.

5. Relaxation of the coasting laws of the two countries on the inland waters dividing Canada from the United States.

6. Mutual salvage and saving of wrecked vessels.

7. Arrangements for settling boundary between Canada and Alaska.

The treaty would of course be *ad referendum*.

The substance of the minute of council, with exception of the recital is contained in the foregoing * * * * *

I have, &c.,

STANLEY OF PRESTON.

Lord Knutsford to Lord Stanley of Preston.

(Extract from Telegram.)

2nd January, 1891.

Minister at Washington has communicated to United States Secretary of State substance of your telegram of 13th December. Mr. Blaine replied that to endeavour to obtain the appointment of the formal commission to arrive at the Reciprocity Treaty would be useless, but that the United States Government was willing to discuss the question in private with Sir Julian Pauncefote and one or more delegates from Canada, and to consider every subject as to which there was hope of agreement on the ground of mutual interests; if not, and to risk so grave a step until by private discussion he had satisfied himself that good ground existed for expecting an agreement by means of a commission. He added that he would be prepared to enter into private negotiations at any time after March 4th.

* * * * *

No. 5.

Sir Julian Pauncefote to Lord Stanley of Preston.

WASHINGTON, January 13, 1891.

MY LORD,—In accordance with instructions which I have received from the Marquis of Salisbury, I have the honour to transmit to Your Excellency the enclosed copy of a draft convention to improve commercial relations between the United States and the Colony of Newfoundland, which was communicated to me on the 6th instant by Mr. Blaine as showing to what extent and on what conditions the Government of the United States are willing to enter into an arrangement of the kind proposed by the Government of Newfoundland in the month of October last.

I have, &c.,

JULIAN PAUNCEFOTE.

His Excellency the Right Honourable Lord STANLEY OF PRESTON, G.C.B.

CONVENTION between Great Britain and the United States of America for the improvement of commercial relations between the United States and Her Britannic Majesty's Colony of Newfoundland.

The Governments of Great Britain and the United States, desiring to improve the commercial relations between the United States and Her Britannic Majesty's Colony of Newfoundland, have appointed as their respective Plenipotentiaries, and given them full powers to treat of and conclude such convention, that is to say :

Her Britannic Majesty on her part has appointed Sir Julian Pauncefote, and the President of the United States has appointed on the part of the United States James G. Blaine, Secretary of State.

And the said Plenipotentiaries, after having exchanged their full powers, which were found to be in due and proper form, have agreed to and concluded the following Articles :—

ARTICLE I.

United States fishing vessels entering the waters of Newfoundland shall have the privilege or purchasing herring, caplin, squid and other bait fishes at all times on the same terms and conditions, and subject to the same penalties, in all respects as Newfoundland vessels.

They shall also have the privilege of touching and trading, selling fish and oil, and procuring supplies in Newfoundland, conforming to harbour regulations, but without other charge than the payment of such light, harbour and customs dues as are or may be levied on Newfoundland fishing vessels.

ARTICLE II.

Dry codfish, cod oil, seal oil, sealskins, herrings, salmon, trout and salmon trout, lobsters, cod roes, tongues and sounds, the products of the fisheries of Newfoundland, shall be admitted into the United States free of duty. Also all hogsheads, barrels, kegs, boxes, or tin cans, in which the articles above named may be carried, shall be admitted free of duty. It is understood, however, that "green" codfish are not included in the provisions of this Article.

ARTICLE III.

The officer of the Customs at the Newfoundland port where a vessel laden with the articles named in Article II clears, shall give to the master of said vessel a sworn certificate that the fish shipped were taken in the waters of Newfoundland, which certificate shall be countersigned by the Consul or Consular Agent of the United States, and delivered to the proper officer of Customs at the port of destination in the United States.

ARTICLE IV.

When this convention shall come into operation, and during the continuance thereof, the duties to be levied and collected upon the following enumerated merchandise imported into the Colony of Newfoundland from the United States shall not exceed the following amounts, viz :—

Flour, 25 cents per barrel.

Pork, $1\frac{1}{2}$ cents per pound.

Bacon and hams, tongues, smoked beef and sausage, $2\frac{1}{2}$ cents per pound, or \$2.50 per 112 pounds.

Beef, pigs' heads, hocks and feet, salted or cured, $\frac{1}{2}$ cent per pound.

Indian meal, 25 cents per barrel.

Peas, 30 cents per barrel.

Oatmeal, 30 cents per barrel of 200 pounds.

Bran, Indian corn and rice, $12\frac{1}{2}$ per cent. *ad valorem*.

Salt, in bulk, 20 cents per ton of 2,240 pounds.

Kerosene oil, 6 cents per gallon.

And the following articles imported into the Colony of Newfoundland from the United States shall be admitted free of duty :—

Agricultural implements and machinery imported by Agricultural Societies for the promotion of agriculture.

Crushing mills for mining purposes.

Raw cotton.

Corn for the manufacture of brooms.

Gas engines, when protected by patent.

Ploughs and harrows.

Reaping, raking, ploughing, potato digging and seed sowing machines to be used in the Colony.

Printing presses and printing types.

ARTICLE V.

It is understood that if any reduction is made by the Colony of Newfoundland at any time during the term of this convention, in the rates of duty upon the articles named in Article IV. of this convention, the said reduction shall apply to the United States.

ARTICLE VI.

The présent convention shall take effect as soon as the laws required to carry it into operation shall have been passed by the Congress of the United States on the one hand, and by the Imperial Parliament of Great Britain and the Provincial Legislature of Newfoundland on the other hand. Such assent having been given, the convention shall remain in force for five years from the date at which it may come into operation, and further, till the expiration of twelve months after either of the High Contracting Parties shall give notice to the other of its wish to terminate the same; each of the High Contracting Parties being at liberty to give such notice to the other at the end of the said term of five years, or at any time afterwards.

ARTICLE VII.

This convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by Her Britannic Majesty; and the ratifications shall be exchanged at Washington on the 1st day of February, 1891, or as soon thereafter as practicable.

In faith whereof, we, the respective Plenipotentiaries, have signed this convention and have hereunto affixed our seals.

Done in duplicate, at Washington, this day of , in the year of our Lord one thousand eight hundred and

Lord Stanley of Preston to Lord Knutsford.

GOVERNMENT HOUSE, OTTAWA, 22nd January, 1891.

MY LORD,—As I have had the honour to inform Your Lordship yesterday by telegram, the Prime Minister of the Dominion Government has expressed his desire to dissolve the present Parliament at once.

It was elected in 1887, and the Dominion Government consider that many grave questions, such as those of the commercial and other relations between the United States and Canada can be best and most satisfactorily dealt with by a body of representatives who have been in immediate and recent touch with the electorate.

Concurring in the views of the Government, I have assented to the dissolution, which will take place in a month or six weeks' time.

I have, &c.,

STANLEY OF PRESTON.

The Right Honourable Lord Knutsford.

(Extract.)

Lord Stanley of Preston to Lord Knutsford.

GOVERNMENT HOUSE, OTTAWA, 30th January, 1891.

MY LORD,—I had the honour to send to Your Lordship to-day a telegraphic message, informing Your Lordship that I had received last night the Report of Council; that it recalled the Imperial Government's promise to delay the Newfoundland Convention until negotiations on behalf of Canada could proceed *pari passu*, and that it expressed the assent of the Canadian Government to the immediate commencement of negotiations. I stated that no responsibility for delay rested on this Government, and that negotiations would not be retarded by dissolution. *

* * * * *

I also said that Council insisted respectfully on the importance of the negotiations with Canada and those affecting Newfoundland proceeding *pari passu*, and that an examination of the proposed Convention made it clear that the rights of the fishermen of British North America would be completely nullified by the admission of Newfoundland to United States markets under the proposed Convention.

I also intimated that, while this Government has refused to discriminate against the United Kingdom, if such discrimination were allowed under the Newfoundland Convention, the Canadian people could not continue to believe in the importance of that principle as a safeguard of British interests.

I further informed your Lordship that Council strongly urged the necessity of any trade arrangement with the United States applying equally to all the British North American Provinces, and pointed out that a permanent discrimination in favour of United States trade seemed to be maintained by Article V of the Convention.

I have, &c.,

STANLEY OF PRESTON.

No. 17.

Lord Stanley of Preston to Sir Julian Pauncefote.

OTTAWA, 16th March, 1891.

SIR,—As the general elections in the Dominion of Canada are now over and as the Government of Sir John Macdonald has been sustained in power by a substantial majority I lose no time in addressing you once more upon the subject of reciprocity of trade between the Dominion and the United States.

I understand from previous communications that it is the wish of Mr. Blaine, without prejudice to the future appointment of a Commission or otherwise, to discuss with yourself and with one or more persons delegated by this Government the various questions which might become the subjects of reference to a Joint Commission: that such a conference should be of an unofficial character: and that it should afford an opportunity for considering on what points it would be likely that the two Governments could come to an agreement. It was also understood that any date prior to the 4th inst. would not be convenient to Mr. Blaine for such a meeting.

The Government of the Dominion would have preferred the appointment of a Joint Commission but they desire to defer as far as may be to the wish of the Secretary of State and I should be glad therefore if you will be good enough to ascertain from him at what date it will be convenient that the representatives appointed by the Canadian Government should proceed to Washington to confer with yourself and Mr. Blaine.

It will not be possible for Sir John Macdonald himself to leave Ottawa but this Government would propose that their views should be represented by the Hon. Sir John Thompson, Minister of Justice; the Hon. Sir Charles Tupper, Bart., High Commissioner from the Dominion in London; the Hon. George Foster, Minister of

Finance; and perhaps the Hon. M. Bowell, Minister of Customs. These gentlemen will be in full possession of the views of the Dominion Government and will be authorized to discuss any or all of the subjects mentioned in the basis of negotiations laid before Mr. Blaine on the 22nd of December and to decide in concert with yourself what steps should be taken for the appointment of a Joint Commission at an early date, should they succeed, as I trust they may, in convincing the Government of the United States that an agreement is probable on some, if not all, of these questions.

I should be obliged if Your Excellency will inform me by telegram or early despatch of the date when it will be convenient to you to receive the Canadian representatives for the purpose above mentioned.

I have, &c.,

STANLEY OF PRESTON.

His Excellency

Sir Julian Pauncefote, &c., &c., &c.

Lord Stanley of Preston to Sir Julian Pauncefote.

(Telegram.)

31st March, 1891.

High Commissioner, it had just been decided, must resume his duties without further delay. He will leave Ottawa to-day and return to London by way of Washington, where he will consult with you as to the advisability of telegraphing his colleagues to join him in the latter city.

Would Secretary of State, in the event of his remaining ill, wish meeting to occur in July, when Canadian Parliamentary Session will be over.

Sir Charles Tupper will also advise with you relative to the renewal of the *modus vivendi*.

STANLEY.

No. 13.

Sir Julian Pauncefote to Lord Stanley of Preston.

WASHINGTON, April 2nd, 1891.

MY LORD,—With reference to my despatch No. 12 of the 26th ultimo, transmitting a copy of a Note which I had addressed to Mr. Blaine on the receipt of Your Excellency's despatch marked No. 17, of the 16th ultimo, I have now the honour to transmit copy of a Note which I have received from Mr. Blaine in answer thereto.

I have, &c.,

JULIAN PAUNCEFOTE.

His Excellency

The Right Honourable

Lord Stanley of Preston, G.C.B.

Mr. Blaine to Sir Julian Pauncefote.

DEPARTMENT OF STATE, WASHINGTON, April 1st, 1891.

My dear Sir Julian,—

I duly received the Note which you did me the honour to address to me on the 20th of March. I regret that for many reasons I have been unable to make an earlier response.

For convenience sake I here quote the substantial part of your Note:

"In a Note, dated the 22nd of January last, I had the pleasure to inform you confidentially that the Canadian Government, in deference to your preference for an unofficial conference on the question of reciprocity, were disposed to meet your wishes in that respect."

"It was understood that you would be ready after the 4th of March to discuss the subject unofficially with me and one or more agents from Canada. I have now received a despatch from the Governor General of Canada, in which he requests me to ascertain whether the present time is convenient to you for that purpose, in which case the representatives appointed by the Canadian Government will proceed at once to Washington to confer in the manner proposed, on all or any of the subjects indicated in the bases of negotiation, of which I had the honour to place in your hands on the 22nd of December last."

A copy of the "basis of Negotiation" which you placed in my hands on the 22nd of December last; is appended hereto.

You told me if my memory is not in error that you were instructed by Lord Salisbury to propose the topics to the United States for discussion, and if possible for agreement.

I answered that I felt sure that the President would be unwilling to appoint a Commission to consider the propositions as they were stated, and furthermore that I should be unwilling to submit them to the President.

After some further conversation in which you repeated that the propositions were merely the bases upon which a discussion might be instituted, I replied that in any event I had not a moment to give to the subject until after the adjournment of Congress in March, but that after that date I would be willing to respond to your request "to have a full but private conference with the British Minister, and one or more Agents from Canada and go over every point of difference and consider every subject upon which a mutual interest could be founded."

"If an agreement is reached, all well: if not no official mention is to be made of the effort."

"Above all things it is important to avoid public reference to the matter."

"This the President will insist upon."

While no notes were exchanged between us I carefully minuted my modification of the paper you left with me containing Lord Salisbury's proposition, and did so immediately after you left the Department. You will observe the private character which I wished to impart to the Conference is recognized by you a month later in your note of 27th January, when you called the correspondence "Confidential."

In view of the fact that you had come to the State Department with the proposals, and that the subject was then for the first time mentioned between us, and in view of the further fact that I agreed to a private conference as explained in my Minute, I confess that it was a surprise to me when several weeks later during the Canadian canvass, Sir John Macdonald and Sir Charles Tupper, both stated before public assemblages that an informal discussion of a reciprocity treaty would take place at Washington after the 4th of March, by the initiation of the Secretary of State.

I detail these facts because I deem it important, since the matter has been for some weeks open to public remark, to have it settled that the conference was not "initiated" by me, but on the contrary that the private arrangement of which I spoke was but a modification of your proposal and in no sense an original suggestion from the Government of the United States.

With this explanation it only remains for me to say that gentlemen representing the Dominion of Canada and proposing to discuss the commercial relations of the two countries may be assured of a courteous and cordial reception in Washington by the Government of the United States.

I have, &c.,

J. G. BLAINE.

Joint Commission to be appointed as in 1871, authorized to deal without limitation, and to prepare a Treaty respecting the following subjects :—

1. Renewal of Reciprocity Treaty of 1854, subject to such modifications as the altered circumstances of both countries require, and to such extensions as Commission may deem to be in the interests of United States and Canada.

2. Reconsideration of Treaty of 1888, respecting Atlantic fisheries, with view of effecting free admission of Canadian fishery products into markets of United States in exchange for facilities for United States fishermen to purchase bait and supplies, and to tranship cargoes in Canada. All such privileges to be mutual.

3. Protection of mackerel and other fisheries on the Atlantic Ocean and in inland waters.

4. Relaxation of coasting laws of both countries on seaboard.

5. Relaxation of coasting laws of both countries on inland waters between United States and Canada.

6. Mutual salvage and saving of wrecked vessels.

7. Arrangements for delimitation of boundary between Alaska and Canada.

Such Treaty to be, of course, *ad referendum*.

Sir Julian Pauncefote to Lord Stanley of Preston.

(Telegram.)

2nd April, 1891.

High Commissioner arrived yesterday. We had an interview with the Secretary of State this morning, who has named Monday, 6th, for the opening of an unofficial conference with the delegates from the Dominion.

High Commissioner has gone to Ottawa to-day. He proposes to return in company with the other delegates in time for the Conference. I transmit by post to-day a copy of Secretary of State's reply to my note of the 20th.

PAUNCEFOTE.

Sir Julian Pauncefote to Lord Stanley of Preston.

(Telegram.)

3rd April, 1891.

Will you kindly communicate following message to High Commissioner:— "Secretary of State wrote to you after your departure yesterday to say that after conferring with the President of the United States he may have to modify the date fixed for opening the discussion on the commercial relations between the two countries. He will advise me definitely to-day, and will endeavour to suit the convenience of the representatives. He requests me to inform you of the contents of above letter.

Sir Julian Pauncefote to Governor General.

(Telegram.)

WASHINGTON, April 5th 1891.

Private: Secretary of State is surprised that Canadian representatives left for Washington after his letter to High Commissioner of which I telegraphed the contents to Your Excellency on Friday morning. He says that the President owing to pressure of other questions desires to postpone the conference until October. High Commissioner has telegraphed that he and his colleagues will arrive here to-night.

PAUNCEFOTE.

Sir Julian Pauncefote to Lord Stanley of Preston.

(Paraphrase of Telegram.)

6th April, 1891.

Sir Charles Tupper and his colleagues left Washington this afternoon. We had friendly conversation with the Secretary of State this morning.

The conference was adjourned, and it now stands fixed for Monday, 12th October. Despatch follows.

PAUNCEFOTE.

Lord Stanley of Preston to Sir Julian Pauncefote.

GOVERNMENT HOUSE, OTTAWA, 14th April, 1891.

SIR,—I have the honour to acknowledge the receipt of your despatch No. 15 of the 8th instant, enclosing a note from Mr. Blaine in which he suggests the 12th of October next as the date agreeable to the United States Government for opening the Conference at Washington regarding reciprocal trade relations between the two countries.

In reply I shall be obliged if your Excellency will be good enough to inform Mr. Blaine that the representatives of the Canadian Government will readily hold themselves at disposal for the purpose mentioned in your despatch now under acknowledgment and at the date named by the United States Government.

I have, &c.,

STANLEY OF PRESTON.

His Excellency Sir JULIAN PAUNCEFOTE.

